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**INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL FINANCE CORPORATION
AND
MULTILATERAL INVESTMENT GUARANTEE AGENCY**

**PERFORMANCE AND LEARNING REVIEW
OF THE COUNTRY PARTNERSHIP STRATEGY
FOR
THE REPUBLIC OF GHANA
FOR THE PERIOD FY13-FY18**

October 20, 2016

**International Development Association
The International Finance Corporation
The Multilateral Investment Guarantee Agency
Africa Region**

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REPUBLIC OF GHANA - FISCAL YEAR

January 1st – December 31st

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US\$1.00 = GHC 3.97

US\$1.39 = SDR 1.00

ABBREVIATIONS AND ACRONYMS

AAA	Advisory and Analytics
ACBP2	Africa Credit Bureau Program
ADP	Agricultural Development Project
AEF	African Enterprise Fund
AF	Additional Financing
AGI	Association of Ghana Industries
AIG	Association of Ghana Industries
ALTTFP	Abidjan Lagos Trade and Transportation Facilitation Project
ASA	Advisory Services and Analytics
BDCII	Bulk Distribution Company
CMU	Country Management Unit
CPIA	Country Policy and Institutional Assessment
CPPR	Country Portfolio Performance Review
CPS	Country Partnership Strategy
CRF	Capital Recovery Factor
CSO	Civil Society Organization
DANIDA	Danish International Development Agency
DDF	District Development Facility
DFID	Department for International Development
DHS	Demographics Health Survey
DOTS	Directly Observed Treatment Short Course
DP	Development Partner
DPF/O/L	Development Policy Financing / Operation / Loan
EAG	Agricultural Equipment
EBG	Ecobank Ghana
ECF	Extended Credit Facility
ECG	Electricity Company of Ghana
EU	European Union
FA	Education for All
ESPV	Electronic Salary Payment Voucher
EVHA	Equity Vehicle for Health in Africa
FDI	Foreign Direct Investment

FIP	Forestry Investment Program
FPSO	Floating Production Storage and Offloading
FY	Fiscal Year
GAMA	Greater Accra Metropolitan Area
GCAP	Ghana Commercial Agriculture Program
GEF	Global Environment Fund
GDP	Gross Domestic Product
GELIS	Ghana Enterprise Land Information System
GHL	Ghana Home Loans
GPEG	Ghana Partner for Education Grant
GLSS	Ghana Living Standard Survey
GNPC	Ghana National Petroleum Corporation
GoG	Government of Ghana
GPEP	Global Partnership for Emergency Preparedness
GSGDA	Ghana Shared Growth and Development Agenda
GSOP	Ghana Social Opportunities Project
GSTDTP	Ghana Skills and Technology Development Project
GTFP	Global Trade Finance Program
HSSP	Skilled Health Personnel
IBRD	International Bank for Reconstruction and Development
ICR	Implementation Completion Report
IDA	International Development Association
IFC	International Finance Corporation
IFI	International Financial Institution
IMF	International Monetary Fund
IST	Implementation Support Team
IPF	Investment Project Financing
IPP	Independent Power Producers
LAP2	Second Land Administration Project
LEAP	Livelihood Empowerment against Poverty
LGCSPP	Local Government Capacity Strengthening Project
LI	Legislative Instrument
M&E	Monitoring & Evaluation
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MFM	Macroeconomics and Fiscal Management
MIC	Middle Income Country
MIGA	Multilateral Insurance Guarantee Agency
MIS	Management Information System Assemblies
MMcfcg	Million Cubic Feet of Gas
MoE	Ministry of Education or Energy
MoF	Ministry of Finance
MSMEs	Micro Small and Medium Enterprises
NCS	Network Computer System
NDC	National Democratic Congress
NDPC	National Development Planning Commission

NEA	National Education Assessment
NGGL	Newmont Ghana Gold Limited
NHIS	National Health Insurance Scheme
NIP	National Infrastructure Program
NREG	Natural Resources and Environmental Governance
NSDP	National Supplier Development Program
OCGBP	Oil and Gas Capacity Building Project
PBG	Policy Based Guarantees
PCOA	Push Call Option Arrangement
PEFA	Public Expenditure and Financial Accountability
PFM	Public Finance Management
PIP	Public Investment Program
PIU	Project Implementation Unit
PLR	Performance and Learning Review
PPP	Public Private Partnership
PSD	Private Sector Development
ROSC	Report on the Observance of Standards and Codes
SADA	Savannah Accelerated Development Authority
SAFP	Social Accountability Focal Points
SCD	Systematic Country Diagnostics
SDF	Social Development Family
SLWRMP	Sustainable Land and Water Resources Management Project
SME	Small and Medium Enterprises
SOE	State-Owned Enterprise
SRWSP	Sustainable Rural Water and Sanitation Project
SSA	Sub-Saharan Africa
T2/TICO	Takoradi II
TA	Technical Assistant
TEN	Tweneboa, Enyera, Ntomme
TEU	Twenty Foot Equivalent Container Unit
TF	Trust Fund
TVET	Technical and Vocational Education and Training
UDG	Urban Development Grant
UK	United Kingdom
UNICEF	United Nations International Children's Fund
UoM	Unit of Measure
USAID	United States Agency for International Development
UWP	Urban Water Project
VAT	Value Added Tax
VRA	Volta River Authority
WAAPP	West African Agricultural Productivity Program
WAGP	West African Gas Pipeline
WARFP	West African Regional Fisheries Project
WBG	World Bank Group

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Performance and Learning Review of the Country Partnership Strategy For The Republic of Ghana

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PERFORMANCE AND LEARNING REVIEW OF COUNTRY PARTNERSHIP STRATEGY FOR THE REPUBLIC OF GHANA

I. INTRODUCTION

1. **This Performance and Learning Review (PLR) assesses implementation progress under the Ghana-World Bank Group (WBG) Country Partnership Strategy (CPS) (Report number 76369) for FY13-16, extends the period of the CPS to FY18, and describes adjustments made to the program to adapt to changes in country circumstances.** The Ghana-WBG CPS, discussed at the WBG Board in September 2013, was prepared about two years after the country had achieved middle-income status, following more than a decade of sustained, high gross domestic product (GDP) growth and significant poverty reduction. Against this background, and taking into account the WBG's twin goals, the CPS sought to support Ghana's efforts to consolidate its transition to middle-income status through continued growth and poverty reduction, addressing sources of inequality and strengthening key institutions. The CPS program, anchored in Second Ghana Shared Growth and Development Agenda (GSGDA II) priorities and the WBG's twin goals, was built around three main pillars, namely: (i) improving economic institutions; (ii) improving competitiveness and job creation; and (iii) protecting the poor and vulnerable.

2. **Shortly after approval of the CPS, the Ghanaian economy experienced a period of severe external and domestic headwinds that affected development programs and aspirations, necessitating adjustments to the original CPS program content, albeit within the original planned outcomes.** The extension of the CPS period to cover FY17 and FY18 is intended to both help revive the Government's GSGDA II agenda (some aspects of which had to be put on hold during the early years of the fiscal crisis) as well as better align preparation of the future country strategy with the Ghanaian development planning cycle. The remainder of this Review provides more detailed information on implementation of the CPS program to date, the factors shaping adjustments to the program and the changes made.

II. MAIN CHANGES IN COUNTRY CONTEXT

A. Changes in Poverty and Shared Prosperity

3. **According to the Ghana Living Standards Survey (GLSS), nearly 6 million Ghanaians (21.4 percent of the population) lived below the national poverty line in 2013, with 2 million (9.6 percent) living in extreme poverty.** The multiple rounds of household survey data show a well-documented long-term steady decline in poverty since the early 1990s. The steady GDP growth over that period was largely pro-poor. Between 1992 and 2006, the poverty headcount fell from 52.7 percent to 31.9 percent, before declining further to 21.4 percent by 2013. Extreme poverty also fell steadily from 37.6 percent in 1992 to 28.5 in 2006, and then to 9.6 percent in 2013. In terms of shared prosperity, the benefits of growth from 1992 to 2013 were broadly shared among the population, although the top percentile received relatively more.

4. **In addition to impressive poverty reduction, Ghana achieved notable progress with regard to a number of non-income dimensions of poverty.** Primary education enrollment and

completion rates were close to universal in 2014 and major improvements were seen with regard to infant and child nutrition. The proportion of underweight children under five years of age was already at 14 percent in 2008, versus an MDG target of 11 percent for 2015. While progress was also seen with regard to child and maternal mortality, improvements fell short of the respective Millennium Development Goals (MDG) targets.

5. Regional disparities in poverty and other measures of well-being are persistent. Income inequality in Ghana did not change from 2006 to 2013 (Gini index of 41), although it had increased from 1992 to 2006. In this measure of inequality, Ghana compares favorably with other African countries; its Gini is still below the median and one of the lowest compared with rapidly growing African countries. However, there are large gaps in poverty and non-monetary wellbeing between rural and urban areas, and the northern and southern parts of the country. Nearly 40 percent of the rural population is poor, compared to just 10 percent of the urban population. The disparities between geographic areas are even more pronounced. The poverty rate in the northern rural savannah region is 55 percent compared to 3.5 percent in the Greater Accra metropolitan area and under 10 percent in the urbanized Southern coastal area. Recent improvements notwithstanding, the poverty rate is far above 40 percent in most districts in the north. As a result poverty has increasingly become concentrated in rural areas and in the Northern part of the country: one out of three poor people lives in the northern rural areas while in 1991 it was only one out of five. A successful shared prosperity agenda will mean tackling growth and redistribution agendas in the north and in rural areas.

6. In summary, the poverty and shared prosperity achievements in Ghana are considered by many to be a success, but there is more to do. Poverty in Ghana has declined from 52.7 percent in 1992 to 21.4 percent in 2013 as a result of sustained, strong economic growth, structural shifts, urbanization, and relative price stability. Non-monetary indicators of well-being have also improved. Yet, three points should be noted. First, while poverty did fall in response to growth and faster than in regional neighbors, the rate of poverty reduction lagged behind achievements in countries in other regions (notably the poverty declines in Asia). Second, a large number of Ghanaians continue to live in poverty and in extreme poverty, and regional disparities persist. Third, the most recent data for poverty are from 2012-2013, and thus do not reflect the economic downturn affecting the country, including macro volatility, high inflation, job losses and slower growth. The worsening of economic conditions since 2014 may have dealt setbacks to past progress in both income and non-income poverty reduction or slowed the pace of continued improvements. For example, there is some evidence (reported in the Country Policy and Institutional Assessment (CPIA)) of a decline in school completion rates for 2014 that may, in turn, be linked to higher dropout rates associated with family economic hardship. The latest household survey is about to be fielded (starting in the last quarter of 2016) with which to monitor the poverty and inequality trends. A Systematic Country Diagnostic (SCD) (FY18) will update the poverty and shared prosperity analysis with the 2016/2017 household survey data and draw out implications for the country's development agenda.

B. Key Macroeconomic Developments since 2013

7. Ghana experienced a number of serious external and domestic macroeconomic shocks at the start of the CPS period, which fueled inflation, exacerbated fiscal imbalances

and are still adversely affecting the real sector. Lower prices for key exports have persisted with gold prices falling from US\$1,600 in 2012 to US\$1,200 in 2014 and further to US\$1,073 per ounce in 2015, before rising again to US\$1,300 in mid-2016. Oil prices declined from US\$91 in 2012 to US\$54 per barrel in 2014 and further to US\$35 per barrel in 2015. These sharply lower prices for Ghana's key exports as well as energy rationing due to the shortage of electricity generating capacity relative to demand, weighed heavily on both the supply and demand sides of the economy. As a result, GDP growth slowed from 7.3 percent in 2013 to 4 percent in 2014 and to 3.9 percent in 2015. All major sectors experienced lower growth in 2014, but the slowdown was sharpest for industry where growth decelerated from 6.6 percent in 2013 to less than 1 percent in 2014.

8. Over the last years, the chronic fiscal deficits and currency depreciation led to increasing debt and higher inflation (Table 1). The net public debt stock increased dramatically, rising from 38.7 percent of GDP in 2011 to 56.2 percent in 2013 and further to 70.2 percent of GDP by 2014. Furthermore, the public debt figures do not fully reflect the total debt and arrears accumulated by state-owned enterprises (SOEs). The public debt figures only include the publicly guaranteed SOE debt while the non-guaranteed debt accumulated especially by the energy SOEs is estimated to be at least US\$1.5 billion (around 4 percent of GDP), posing substantial contingent liability risks. As government increasingly turned to short-term domestic securities, interest rates on 90 day T-bills rose to almost 26 percent, and maturities shortened. On the external side, credit rating downgrades pushed up the costs of borrowing. As a result, total interest payments almost doubled from 3.2 percent of GDP in 2012 to 6.2 percent in 2014. The expansionary fiscal policy also worsened inflationary pressures. Inflation rose sharply, from 8.1 percent in 2012 to 17.0 percent in 2014—well above the Central Bank's medium-term target (8 ±2 percent).

Table 1: Ghana-Selected Economic and Financial Indicators, 2012 -2018

Indicator	2012	2013	2014	2015	2016	2017	2018
				Est.	Proj.	Proj.	Proj.
Real GDP (% growth)	8.0	7.3	4.0	3.9	3.3	7.4	8.4
Real GDP(non-oil)	7.3	6.7	4.0	4.1	3.7	4.5	5.0
GDP per capita (U.S. dollars)	1,683	1,870	1,473	1,402	1,551	1,638	1,752
Consumer prices (annual average % growth)	7.1	11.7	15.5	17.2	17.1	10.0	7.0
Consumer prices (end of period %)	8.1	13.5	17.0	17.7	13.5	8.0	6.0
Exchange rate (end of period L\$/US\$)	1.90	2.16	3.20	3.89	..		
Exports, f.o.b (US\$ Millions)	13,552	13,752	13,213	10,357	10,634	12,528	14,188
Imports, f.o.b (US\$ Millions)	17,763	17,600	14,600	13,465	13,806	15,160	16,101
Current account balance incl. grants (% of GDP)	-11.7	-11.9	-9.6	-7.5	-6.7	-6.1	-5.1
Gross official reserves (US\$ Millions)	5,348	4,587	4,349	4,403	5,140	5,976	6,657
Gross official reserves (months of imports)	2.9	2.9	2.5	2.5	2.7	2.9	3.
Broad Money (% Change)	24.3	19.1	33.0	23.3	15.9	15.7	15.8
Credit to the private sector (% change)	32.9	29.0	42.0	24.7	7.4	14.2	14.7
Revenues and Grants (% of GDP)	18.5	16.7	18.4	19.2	19.4	19.2	18.7
Expenditures (% of GDP)	30.1	27.3	28.5	25.4	24.6	22.7	21.7
Wages and Salaries (% of GDP)	8.9	8.9	8.3	7.5	7.0	6.8	6.8
Interest Payment (% of GDP)	3.2	4.7	6.2	6.5	6.3	5.6	5.3
Overall surplus / deficit (incl. grants)	-11.6	-10.7	-10.1	-6.9	-5.2	-3.5	-3.0
Central Government Debt (% of GDP)	49.1	56.2	70.2	71.8	67.7	63.6	60.0

Public sector domestic debt (% of GDP)	27.2	32.3	31.0	29.0	27.9	26.0	25.1
Public sector external debt (% of GDP)	21.8	24.0	39.1	42.8	39.8	37.7	35.0
Nominal GDP (GH¢ Millions)	75,315	93,416	113,343	139,936	166,768	197,136	225,779

Source: IMF and World Bank Staff calculation, September 2016

9. **By end-2014, with economic indicators spiraling downwards, the Government approached the International Monetary Fund (IMF) and the World Bank to help support stronger policy adjustment, restore market confidence and revive the country’s transformation agenda laid out in the GSGDA II.** The three-year program proposed by Government for the International Financial Institutions’ (IFI) support was based on the GSGDA II and focused on fiscal adjustment to improve debt sustainability, strengthening of external buffers and elimination of the fiscal dominance of monetary policy while safeguarding financial sector stability. Key elements of the program, which was supported in a coordinated fashion by the IMF’s Extended Credit Facility and a World Bank development policy operation (DPO) series, included: (i) substantially strengthening the fiscal position by mobilizing additional revenues, restraining the wage bill and other primary spending, while making fiscal space for priority expenditures; (ii) making structural changes to strengthen public financial management and expenditure controls, revenue collection, improved inflation management and enhanced monetary policy operations. The World Bank also provided a Policy Based Guarantee to help secure better terms (rates and maturities) for external borrowing through a Eurobond.

10. **The fiscal consolidation efforts, which started in 2013 and were strengthened under the program agreed with the IMF, began to show some results as revenues improved and some elements of expenditure were better controlled.** In 2013, largely through expenditure measures, including reduced spending on wages and goods and services, the fiscal deficit narrowed to 10.7 percent of GDP (versus 11.6 percent in 2012), but still well above the target of 5 percent. In 2014, the overall fiscal deficit was 10.1 percent of GDP, marginally lower than in 2013. The deficit for 2015 was considerably smaller, amounting to 6.1 percent of GDP. This consolidation was achieved both through revenue and expenditure measures, including, inter alia, rationalization of the Value Added Tax (VAT), a new structure for petroleum taxes and special levies for fiscal stabilization, further actions to control the public sector wage bill and the elimination of petroleum subsidies through liberalization of the regime.

11. **Ghana’s banking system remains profitable with adequate levels of capital and liquidity but exposure to energy SOE debt and stress in the microfinance sector are serious issues of concern.** After-tax average profitability of the banking system—measured by return on equity—stood at 22 percent in December 2015, down from 32 percent in December 2014. Also, the legacy debt accumulated by the SOEs in the energy sector has started to pose risks to the wider economy as reflected in the rising commercial banks’ Non Performing Loans from 11.2 percent in December 2014 to 19.3 percent in May 2016. A lax licensing regime led to a proliferation of deposit-taking Micro Finance Institutions some of which lacked the capital and management to operate efficiently. At the same time, the Bank of Ghana lacked the capacity to deal with problem banks and systemic events. With technical support from the IMF and the World Bank, the authorities are strengthening their capacity to oversee the banking sector and address risks. In this regard, the Banking and Specialized Deposit-taking Institution Bill and the Deposit Protection Bill were passed by the Parliament in July 2016.

12. **Ghana issued its fifth Eurobond on September 9, 2016 for US\$750 million with a coupon rate of 9.25 percent.** The bond, which was more than five times oversubscribed with total orders of US\$4.5 billion, has a weighted average tenor of five years. The principal will be repaid in three equal installments of US\$250 million in September of 2020, 2021 and 2022, respectively. The retirement of the upcoming 2017 redemptions, including with some of the proceeds of the 2016 Eurobond ensures no substantial net increase in the debt stock. Ghana continues to face a high risk of external debt distress based on updated Debt Sustainability Analysis for September 2016. The Government has been trying to extend the maturity of its issuance in the domestic market. In the first half of 2016, these efforts appear to have produced results, as T-Bills rates began to decline, and non-resident participation has substantially increased.

13. **Ghana has made good progress on its economic stabilization program with performance on fiscal consolidation better than expected and the external position expected to improve over the medium-term but risks remain.** Under assumptions of continued fiscal consolidation—including a deficit target of 5 percent of GDP for 2016, no further major negative terms-of-trade shocks, improved stability in prices and the exchange rate as well as improvement in the electricity supply situation, Ghana’s medium-term economic prospects are expected to improve. The GDP growth rate is expected to reach 7.5 percent in 2017. The oil and gas sector is expected to drive medium-term growth with overall oil production likely to increase by more than 50 percent as the TEN oil field comes into production in 2017, followed by oil and gas production at the Sankofa field in 2018. The gas component of the Sankofa project is also expected to bolster domestic energy supply and support growth in other sectors, including manufacturing. The non-oil sector is therefore also expected to post modest growth. However, Ghana is likely to face high financing costs in both the domestic and external markets as the Central Bank maintains a high policy rate to contain inflation and the US Federal Reserve gradually increases its benchmark interest rate. In addition, the substantial legacy debt of the energy SOEs, excess capacity issues and ongoing operational losses pose substantial fiscal contingent liability risks and risks to the financial sector over the medium term. Furthermore, delays in the resolution of the energy SOE legacy debt as well as reforming the energy sector to prevent further arrears, technical problems in the oil sector, continued weak commodity prices and capital flows, and the risk of fiscal slippage ahead of the December 2016 election are major risks for Ghana’s economic outlook.

C. Emerging Country/Development Issues

14. **A principal change/challenge facing Ghana is the sharp and sustained decline in the global price of commodities, especially gold, oil and gas,** which has significantly altered the country’s prospects for windfall revenues. The mining industry of Ghana accounts for 5 percent of the country’s GDP, and minerals make up 37 percent of total exports, of which gold contributes to over 90 percent of the total mineral exports. Gold production in Ghana has declined over the past few years, and the sector remains exposed to substantial downside risks. By 2015, the country was producing about 102,000 barrels of crude oil per day and 125 million cubic feet (2014) of natural gas per day and the Ghana National Petroleum Corporation (GNPC) had plans to increase output of oil (by 2020) to 240,000 barrels per day and gas to 400 million cubic feet per day. While rising output in the oil and gas sector is expected to boost exports and

accelerate growth over the medium term, the oil sector's long-term potential is limited. Ghana's proven oil reserves are relatively small, and oil production is expected to slow significantly after 2021. The rupture of the Nigerian gas pipeline highlighted Ghana's energy vulnerability, strengthening the resolve to develop gas reserves to meet domestic needs.

15. **Challenges and priorities identified in the GSGDA II and the CPS also continue to be prominent in shaping the development agenda to achieve shared prosperity and reduce poverty, albeit with some shifts in timing and emphases.** A key challenge, and one that will require concerted effort over an extended period, is to strengthen economic institutions and public financial management, including strengthening natural resource governance given the economy's strong dependence on extractive industries and agricultural commodities. Although Government's focus over the 2013-2015 period was (naturally) directed more to addressing the fiscal and debt crisis, these longer-term issues are once again high on the agenda as important complements to stabilization measures. Indeed, the initial ineffective response to the shocks and the ensuing crisis highlighted the importance of effective economic institutions—an implicit validation of the CPS' focus. Secondly, the CPS emphasis on enhancing overall competitiveness and job creation has assumed even greater importance and urgency, since the recent terms-of-trade shocks, commodity-price volatility generated considerable uncertainty regarding the oil sector's future economic contribution. Finally, as discussed in the section on poverty trends, a large number of Ghanaians still live in poverty and the trend towards steady poverty reduction may have stalled or even reversed given the sharp slowdown in economic growth and lower per capita income during the CPS period. Appropriate policies and programs to protect poor households and increase their opportunities to build human capital and gain employment continue to be of critical importance for the foreseeable future. Addressing inequality –whether related to gender, ethnicity and place of residence or access to key services -- is also an important challenge.

III. SUMMARY OF PROGRAM IMPLEMENTATION

16. **The number of operations in the Ghana portfolio has been relatively stable over the CPS period but there has been significant growth in the volume of commitments.** There are currently 25 operations in the World Bank portfolio, the same number as at the start of the CPS period in FY13, while commitments have increased by 67 percent -- from US\$1.50 billion in FY13 to US\$2.14 billion in FY16. In addition, Ghana is benefiting from five regional operations (representing a commitment of US\$383 million), bringing total IDA and leveraged resources operations benefiting Ghana to slightly over US\$2.51 billion. In addition, FY15 saw the introduction of new instruments such as guarantees as part of the World Bank Group's commitment to support Ghana's transition to lower middle-income country status. In addition to the IDA and regional commitments, there are over 50 trust fund activities delivered or in progress since FY13. All analytical work planned under the CPS have been delivered or are on course. Overall, there are 45 Advisory Service and Analytics (ASA) that fall into this category. Annex 5 provides details of all International Development Association (IDA), International Finance Corporation (IFC) and Multilateral Insurance Guarantee Agency (MIGA) operations for FY13-FY16.

17. **Exchange rate movements and fluctuations in performance influenced Ghana's allocations in IDA17.** While expecting an allocation of more than US\$900 million equivalent, based on notional figures available in the first year of IDA17, the amount was reduced by about 29 percent due to poor macro performance (and consequently reduced ratings in the Country Policy and Institutional Assessment (CPIA)), and exchange rate movements in FY16 compared to FY15. However, following implementation of the macro stabilization program the CPIA was upgraded in 2016 and led to higher allocation of about US\$770 million equivalent for FY15-FY17. These changes in IDA allocations affected the pipeline, forcing adjustments to planned programs and projects in FY16.

18. **Portfolio performance has improved since FY14, especially with respect to disbursement ratios.** The number of problem projects has varied between three and five over the CPS period, representing 12-20 percent of the portfolio. As of mid-2016 there were three potential problem projects, each of which has an agreed action plan that is monitored on a monthly basis to resolve implementation issues in a timely manner. Disbursements have been improving steadily over the CPS period from 20.8 percent of commitments in 2013, to 22.4 percent in 2014, 27 percent in 2015 and further to 32.1 percent in FY2016 -- the latter being the highest level achieved in at least a decade and 4 percent above the agreed target of 28 percent. A cumulative total of over US\$1.3 billion has been disbursed over the FY13-FY16 period. In June 2016, the undisbursed balance stood at about US\$655 million or 35 percent of total commitments. However, since the average age of the portfolio is over four years, the disbursement level of 65 percent is still relatively low, implying the need for sustained efforts to address implementation challenges.

19. **A number of systemic challenges continue to affect the Ghana portfolio, despite recent improvements.** The main challenges encountered during the CPS period include delayed effectiveness of approved projects and frequent changes of project staff at national and district levels. For example, recent improvements in project performance could be jeopardized in FY17 given that the upcoming general elections in December 2016 will likely lead to substantial changes in government officials and project staff even if the incumbent is returned to power. Delays in appointments and the steep learning curve for newly appointed officials often leads to substantial delays in project implementation. Finally, there is a need to address ongoing project implementation issues, including weak contract management, cost overruns and delays in payment of compensation to project affected people due to resettlement, for mostly infrastructure based projects.

20. **Several measures have been introduced since FY14 to address systemic and specific portfolio issues.** Firstly, an annual Country Portfolio Performance Review (CPPR) has been instituted in collaboration with the Ministry of Finance, sector Ministries and the Project Implementation Agencies to thoroughly assess portfolio performance, identify challenges and make recommendations for improved performance of individual projects. The CPPR identifies agreed actions with specific time-lines and clear responsibilities for follow-up actions that are monitored every two months. Secondly, a number of proactive measures were introduced, including organization of periodic Implementation Support Team (IST) meetings between the Ministry of Finance, Country Management Unit (CMU), fiduciary and project teams to review under-performing projects on an ongoing basis rather than solely during missions. Thirdly, a

monthly Executive Portfolio Summary report note is developed and shared by the CMU with the World Bank's team and MoF's World Bank Unit to help ensure that task teams especially are fully informed of the status of their projects. Together with fiduciary clinics and clear CMU operations guidelines, these measures have helped to improve project performance and portfolio management, which have been adopted by other country teams in the Africa Region.

21. **Ghana is IFC's third largest country exposure in Sub Saharan Africa in terms of committed investment volume.** IFC's strategy in Ghana focuses on enhancing competitiveness through improved infrastructure (energy and transportation particular), job creation by supporting MSME growth thorough improved access to finance, and equitable growth through improved agricultural productivity. During the period July 2013 – June 2016 IFC delivered a substantial program focused predominantly in the energy, financial, transport, tourism and real estate sectors. IFC added nine new projects with commitments amounting to US\$339.4 million of IFC's own account and US\$503.2 million in mobilization. As of June 2016 IFC's own account committed investment portfolio reached US\$859.9 million with US\$474 million outstanding. IFC's investments have contributed to the direct employment of at least 21,618 people as of 2014. This figure is estimated to have grown to 41,258 in 2015. IFC's contributions in the WBG country strategy and during the CPS period have concentrated mostly on Pillars 2 and 3.

22. **MIGA currently has a gross exposure of US\$278 million in a portfolio consisting of four projects** to support private investments in various sectors, including telecommunications, energy and water. The MIGA portfolio is affected by the challenges faced by the economy and institutional weaknesses. The pipeline of future potential projects is promising and significant, with a few projects mainly in the energy and infrastructure sectors. Assuming current challenges are overcome in a timely manner, MIGA could increase its exposure substantially, hence contributing to supporting the Government's development strategy in full alignment and partnership with IDA.

A. Evolution of Partnerships and Leveraging

23. **The CPS implementation period was marked by the efforts of Ghana's Development Partners (DPs) to transform their role from acting merely as aid providers to focusing on means of supporting Ghana's own efforts to foster trade, investment, and business growth.** A number of major partners worked together to review their development plans and revamp the architecture for donor coordination and dialogue to more fully recognize the emerging importance of the private sector and newer, non-traditional partners, drawing on lessons from experience in comparable countries. By and large, most bilateral and multi-lateral donors sought to shift their programs towards helping the government to strengthen institutions and management systems and to promote policies and approaches that would more effectively leverage the effectiveness of support of all donors. Coordinated, sector-wide approaches were promoted in many sectors, including health, education, social protection, public sector management, debt management and financing, and the management of key utilities. Through a comprehensive stakeholders' engagement, the WBG led the review of the implementation of Ghana's private sector strategies and interventions over the past five years with emphasis on implementation and accountability mechanisms. The outcome of this review will shape how

Ghana will implement the next generation of private sector development (PSD) policies while fostering a dynamic and inclusive Public-Private Dialogue.

B. Progress Toward Achieving CPS Outcomes By Main Focus Areas

24. **Despite the unanticipated focus on re-establishing macroeconomic stability over the first two years of the CPS period, progress in achieving the original objectives laid out in the results framework has been overall good – despite important changes to the CPS program to address changes in the socio-economic context and new government requests (Section IV).** To the extent that several expected outcomes were related to ongoing operations or ASA, the originally expected results have already been achieved or remain feasible within the extended CPS time frame. In a few cases, e.g., with respect to energy, the results anticipated at the time of CPS preparation no longer correspond to changed country realities and have, therefore, been altered or dropped as a part of this PLR process.

25. **The original CPS results framework laid out fourteen outcomes and related milestones, which are reviewed in this section.** The outcomes were mostly derived from ongoing World Bank operations and ASA and laid out within three pillars (focus areas) as follows:

- **Pillar 1: Improving Economic Institutions** comprised five outcomes related respectively to fiscal policy-making capacity, statistical capacity and analysis, land management, preparation for the oil and gas era, and decentralization and local governance;
- **Pillar 2: Improving Competitiveness and Job Creation** comprised seven outcomes including improvements in education, skills for non-traditional sectors, energy security and diversification of energy sources, road transport and trade logistics, agricultural growth and productivity/marketing gains, adoption of new agricultural technologies and management of fish and aquatic resources;
- **Pillar 3: Protecting the Poor and Vulnerable** included three outcomes related to reduction in inequality and improved coverage of health care, water and sanitation services.

Progress with respect to these original outcomes and related WBG instruments is discussed below in general terms. Annex 1 lays out a revised framework that takes into account changes to the program and the proposed new timeframe. Annex 3 records more specific information with respect to each objective and the indicator set in 2013.

Pillar One: Improving Economic Institutions

26. **Overall progress under this pillar has been satisfactory, although some aspects of the program had to be modified or postponed due to changes in country circumstances.** Four out of the five original objectives set under this pillar remain relevant (albeit with some changes in emphases/timing) and have been achieved or are on track to being achieved by the CPS's new end-date (June 2018). The overarching aim of this focus area was to reduce fiscal volatility and support future growth by strengthening key public institutions with influence over the business climate, especially in key areas such as energy and agriculture. Progress on each of the five objectives is summarized below:

- With respect to strengthening **fiscal control and financial management**, important strides have been made (with support under the DPO I, the public finance management (PFM)

Reform project and related ASA) including a shift to program-based budgeting and the use of a transparent IT platform for budgeting by nearly all Municipal and District Assemblies (MDAs). Overall budget control has improved, likely leading to a 'B' or better PEFA assessment –i.e., fully meeting the original CPS objective. Attention to fiscal consolidation, transparency and public debt management remains a high priority and the CPS program in this area has been intensified and reflected in the results framework.

- The outcome concerning promotion of **evidence-based policy making** through strengthened capacity for data collection, monitoring and evaluation (M&E) and analysis was also substantially achieved during this CPS period. With support from Department for International Development (DFID) and Statistics for Results program grants as well as an IDA Statistical Development Project, a Demographic and Health Survey (DHS) and Labor Force Survey were completed and disseminated in a timely manner. Both surveys and the subsequent analyses helped address key gaps in information pertaining to poverty and shared prosperity. The Ghana Statistical Service also independently (for the first time) produced reports on poverty, labor force statistics, child labor and others and plans to undertake the seventh GLSS during 2016.
- CPS milestones with regard to improving **land tenure and administration** – namely, passage of enabling laws and regulations – had not been achieved by mid-2016. However, the Cabinet of Ministers approved a Land Use and Spatial Planning bill in 2016, which is serving as the basis for the new laws/regulations in this area. The legislation remains highly relevant to Ghana's efforts to revitalize growth and reduce rural poverty and will be submitted to Parliament in 2017. The IDA Land Administration Project II is also helping to increase the efficiency of land titling and collection of data on time required for title registration. Given the advancements achieved in establishing the Ghana Enterprise Land Information System (GELIS), the end target of three months will likely be achieved by the end of the extended CPS.
- The fourth outcome – preparing for the **oil and gas** era -- under this CPS pillar was predicated on the assumption that Ghana's oil and gas industry would develop rapidly during this CPS period, driven by large private investments in the sector. As such, the CPS sought to strengthen the capacity of the relevant Ghanaian institutions engaged in oversight of the sector to regulate investment and production activity as well as achieve greater transparency with respect to contract awards. However, as previously discussed, the drop in global oil prices depressed private oil production, making the originally planned-for outcomes a lesser priority than had been anticipated at CPS preparation. Moreover, high-level political attention was directed more to management of the fiscal crisis, at least in the early years of the CPS. Even so, the focus on enhancing the governance of GNPC remained, with interventions under the World Bank's DPL and over 100 GNPC and Ministry of Education and Energy (MoE) staff were trained under the Gas and Oil Capacity Building Project.

Pillar Two: Improving Competitiveness and Job Creation

27. **Progress with regard to the competitiveness and job creation pillar has been more uneven, reflecting the fast-changing economic context, the constrained fiscal environment and the focus of policy-makers on restoration of macro stability.** This pillar sought both to promote growth and, by focusing on poorer regions or low-income population groups, to help

ensure broader participation in growth. CPS outcome targets were largely met in education/skills development and agriculture while delays and/or program adjustments affected the energy and transport objectives.

- Insufficiency of educated and/or skilled workers – especially outside the greater Accra region and the Southern districts -- has been an important impediment to economic development and, hence, a focus of the CPS program. Given high **education** enrollment rates overall, the CPS focused on reducing disparities in education, with principal emphasis on closing the quality gap between better-off and poorer districts. The targets set to measure improvements in the latter, focusing on publishing report cards for public schools and children’s test scores in English and mathematics, were all met or exceeded by the end of the 2015 school year, with support, *inter alia*, from the Global Partnership for Education project, and the IDA-financed Secondary Education Improvement Project, complemented by grants from DFID, United Nations International Children’s Fund (UNICEF) and United States Agency for International Development (USAID) and other donors.
- Positive results were also achieved with regard to **skills development** in firms participating in the IDA-financed Skills and Technology project, which sought to improve worker productivity through on-the-job training via a public-private partnership model. An independent Danish International Development Agency (DANIDA) evaluation of worker productivity in firms participating in the project(s) showed that worker productivity (changes in value added per hour of work) increased by nearly 50 percent by mid-2015 -- versus the CPS target of 40 percent for mid-2016. IFC supported the expansion of Ashesi University, which offers courses in computer science, MIS, and business administration. This helped increase access to high-quality education for Ghanaian youth. The University offers financial aid to about 45 percent of its students.
- Given the high cost to the economy of the frequent blackouts experienced in recent years, the CPS emphasized actions aimed at increasing the availability of **electricity** and diversifying the energy mix. The CPS originally focused on the reduction of power losses along the principal transmission interconnection with Nigeria but this focus shifted in 2014 with Government of Ghana (GoG) emphasizing the development of cleaner domestic resources, especially off-shore natural gas in the Sankofa field, which is being developed with World Bank Group support (see below). To support diversification of energy sources, IFC helped expand the production capacity of the Takoradi II (“T2” or “TICO”) by converting to dual fuel capability, thus allowing the plant to generate an additional 110 MW of power without incremental fuel consumption. IFC’s engagement with TICO further supported clean energy production in Ghana, with an estimated avoidance of 269,710t CO₂/year.
- A key element of this pillar – **opening up access to markets** through better road connectivity (especially for the poorer, rural northern region) and improved logistics at border crossings – has seen setbacks and reversals over the CPS period. In view of the highly constrained fiscal situation over the past three or so years, and despite continued support from ongoing IDA Transport operations, funding of planned road maintenance activities has been eroded in real terms. In January 2016, Parliament approved an increase in the fuel levy for the benefit of the Road Fund, which could ease the funding situation going forward. However improvements in sectoral performance will also require better governance and transparency in the management of roads contracts. Some reductions have

been made to the number of roadblocks on the Abidjan-Lagos corridor in Ghana (from 30 in 2013 to 18 at present) to facilitate transport, but this is far short of the CPS goal (three roadblocks). The CPS target cannot be achieved until after construction of a customs intervening station at Enyaano is completed. IFC has been actively engaged in facilitating Ghana's access to overseas markets through support for infrastructure improvements at the Tema port (Section V).

- Improving **land and water management** is an important CPS goal, focused on helping poor rural communities (especially in the north) to reduce the volatility of agricultural production via sustainable, natural methods that reduce the impacts of droughts and floods. Good progress has been made in this area through a combination of IDA credits (from GCAP and bilateral donors), and grants (notably the Sustainable Land and Water Management – SLWM - project). The CPS target for 2016 (1,500 ha) was surpassed, with about 2,500 hectares already benefitting.
- Another CPS effort to improve the income and livelihoods of Ghanaian smallholders aims to promote the adoption of new, sustainable **agricultural technologies** to improve the resilience of cash crops to droughts and pests. The program, supported by the regional West Africa Agricultural Productivity program, has been very successful thus far, with demand from smallholder farmers (over 50 percent of them, women), far exceeding available funding. The CPS interim target of covering about 2,000 ha with new technologies has been exceeded by over 1,000 ha, with coverage approaching 3,090 ha by January 2016. It is likely that the project's end-outcome of reaching at least 250,000 smallholder farmers has also been surpassed, but final validation will need to await completion of the annual review. In light of this success, two Additional Financing (AF) Global Environment Fund (GEF) grants were recently approved, with the goal of further expanding coverage to 15,000 ha by 2020. In parallel, IFC, through its investee (Vegpro Ghana), reached 399 farming units by setting up a 1,070 hectares (ha) commercial farm to produce vegetables, including support for irrigation (768 ha), procurement of farm equipment and refrigerated vehicles and construction of a packing house for the export of vegetables to United Kingdom (UK) and European Union (EU) markets. The company employs about 400 people, 90 percent of whom are women.
- The CPS sought to reverse the overexploitation of **fish and other aquatic resources** by commercial interests in an effort to replenish depleted stocks and boost the livelihoods and incomes of small fishermen -- one of the poorest groups in Ghana. A regional IDA project, the Western Africa Fisheries Program, is supporting Government in this area and a moratorium on the issuance of new commercial fishing licenses was instituted since 2013. Moreover a new Fisheries Management Plan to contain illegal fishing was adopted. Despite these apparently positive steps, concern remains that overfishing will not be adequately contained due to a lack of political will as well as inadequate capacity to implement existing policies.

Pillar Three: Protecting the Poor and Vulnerable

28. **Progress under this pillar of the CPS has been strong overall, with one objective already achieved, one on track and two delayed for completion by the new CPS end date (June 2018).** In broad terms, results have been positive with respect to social protection and health care services, in part because of the continuing emphasis on maintaining an adequate

safety net (as reflected in the prior action and triggers of the DPL series) despite the fiscal difficulties that Ghana has had to overcome. Progress on water and sanitation has been slower. Developments within this Pillar are discussed below in more detail.

- As part of the effort to address growing inequality along the North-South divide in Ghana, the CPS sought to expand the safety net and increase its effectiveness in the poorer northern part of the country as well as improve the targeting of benefits to women, children and disabled persons. IDA support for this objective has been provided through the Ghana Social Opportunities Project (GSOP), for which an AF was approved in 2015. The GSOP has been helping to strengthen Ghana's premier social protection programs, including for labor-intensive public works and cash transfers, with respect to overall management and operations, payment mechanisms and monitoring and evaluation. These improvements, in turn, have enabled significant, appropriate expansion of both safety net programs – cash transfer beneficiaries have more than doubled from 70,000 (2014) to 148,000 beneficiary households by 2015, significantly improving coverage of orphans/vulnerable children, the elderly and the disabled. The public works program completed a total of 436 subprojects by end-2015, with 7,879,360 person days of employment created versus a CPS target of 45,000 person days for 2016. The cash transfer and labor-intensive public works programs have 70 percent and 61 percent female beneficiaries, respectively. In addition to improvements in beneficiary reach, the projects have also benefited from strengthening of the social protection system with the introduction of management information systems (MIS), electronic payments and launch of the Ghana National Household Registry. These new systems have led to efficiencies in program management and implementation.
- The second objective under this pillar sought to reduce gender and urban-rural disparities in health status by improving maternal health in underserved rural areas and increasing coverage of water and sanitation services in rapidly growing cities and towns as well as selected rural areas. Outcomes to date with respect to maternal health have exceeded CPS expectations on all measures (attendance of health personnel at deliveries and pre-natal visits) as measured by the 2014 DHS. However, it is difficult to attribute this success to IDA project support as the ongoing IDA operations in the health sector prior to 2014 were not directly engaged in the maternal health interventions. A new Maternal and Child Health and Nutrition Improvement Project became effective only in 2015 and has been slow to start-up. CPS targets with respect to new piped water connections in poor urban and rural areas and improved rural sanitation coverage were to have been achieved with support from the IDA-financed GAMA Water and Sanitation Project and the Sustainable Rural Water and Sanitation project. Due to delays in implementation progress towards these targets is currently behind schedule, especially for urban water and rural sanitation.

IV. EMERGING LESSONS

A. Main Lessons from the CPS to date

29. **Experience with implementation of the CPS program to date suggests a number of key lessons, which will not only inform the implementation of the extended CPS but also the design of future Country Partnership Framework.** These lessons are discussed below as

they have influenced some of the changes made to the program and will be taken into account for the remaining CPS period.

30. The CPS program needs to achieve an appropriate balance between flexibility and achievement of longer-term goals. Given that the structure of the Ghanaian economy makes it vulnerable to considerable volatility, there is clearly a need for the WBG to be flexible and nimble in supporting the Government to respond to emerging needs, including from exogenous shocks. At the same time, the WBG has a strong comparative advantage in helping Ghana to address the medium- and longer-term structural issues and development priorities, including diversification of the economy, that can help reduce volatility in the future, accelerate inclusive growth and sustainably reduce poverty.

31. Close attention must be paid to governance (including transparency and fiduciary responsibilities) and capacity considerations in program/project design. Experience in some sectors, notably fisheries and roads, suggests that even when policies/regulations are favorable to the achievement of desired outcomes, governance problems and limited capacity can seriously constrain progress. Continued emphasis on capacity building (technical and fiduciary) through stand-alone activities and within each operation is important, as is adequate implementation support and monitoring. In addition, more attention should be given at the design stage to assessing the role of vested interests and ensuring that the level of political commitment and ownership is sufficiently strong to overcome these where needed.

32. Policy Based Guarantees (PBGs) can play a very useful role in leveraging limited IDA resources to manage fiscal consolidation, but should be used only selectively. Given limited IDA resources available to Ghana during this CPS period (IDA17), the PBG – the first one ever done with IDA resources -- played a very useful role in helping the country to manage its macro challenges effectively. In addition, the PBG has also helped secure financing in the international market at more favorable maturity terms, than might otherwise have been available. However, one of the early lessons from the use of this instrument is that if PBGs are not supported by credible macro reform efforts their benefits are not sustainable in the medium to long term. Given Ghana's high risk of debt distress, a waiver was required to allow the deployment of this IDA instrument. Therefore, the Bank should continue to be vigilant in monitoring macro developments in close coordination with the IMF and other partners.

33. Weak coordination within the Government causes DPO-led reforms and large multi-sector programs to have mixed impact. Although specific budget provisions are generally available to help carry out sector reforms, poor intra-government collaboration and coordination continue to pose challenges to implementing the DPO supported reforms by the line ministries. In addition ring-fenced Project Implementation Units (PIU) have been able to deliver single sector type investments but prove ineffective in implementing multi-sector or policy-oriented programs that now form the bulk of the portfolio. WBG will continue to encourage greater coordination to reduce the increasing fragmentation and transaction costs while using country systems.

34. ASA can play a valuable role not only in guiding the design of lending operations but in maintaining a dialogue on key development concerns even when there is a hiatus in

new lending. For example, ASA proved to be critical in furthering the dialogue on economic management in the first years of the CPS period, even when some planned operations did not go forward in FY14 as originally anticipated. As a result, a redesigned capacity building project for economic management has been prepared and approved by the Executive Board in early FY17. Similarly, ASA has played an important role in maintaining an active dialogue in the financial sector despite a decision to drop a planned DPO for the sector.

35. **More attention should be given to improved coordination between Bank and IFC programs, in critical sectors where there are natural complementarities.** In the first instance, efforts should be made to build on recent coordination in the energy sector (e.g., Sankofa operation) to jointly develop a program that better supports Ghana's energy objectives through identifying opportunities for coordinated action on sectoral policy and appropriate private sector development efforts. Similarly, synergies should be exploited in the agriculture sector, especially with respect to sustainable agricultural technologies, support for cultivation of non-traditional crops and agricultural exports.

V. ADJUSTMENTS TO THE COUNTRY PARTNERSHIP STRATEGY

35. **As noted at the outset of this document, the Ghanaian economy was buffeted by strong headwinds during this CPS period, which affected the Government's agenda and, by extension, the CPS program, albeit still within the overarching framework of the GSGDA II for 2014-2017 and the existing CPS pillars.** The GSGDA II is a widely consulted, comprehensive and ambitious medium-term development strategy for growth and poverty reduction. However, with the deterioration of the domestic economic environment since the Agenda was formulated, more attention had to be given, and rightly so, to regaining macroeconomic stability. With the fiscal crisis now under better control, attention is turning to reviving the structural reforms that could shift GDP back to the job creation and poverty reduction goals envisaged under the Agenda. Importantly too, given limited coordination and implementation capacities and severely limited fiscal space, priorities in the Agenda are more focused, including (i) developing prioritized public investment programs; (ii) elaborating a results framework consistent with the priorities; and (iii) strengthening the institutional capacity of the National Development Planning Commission (NDPC) and the Ghana Statistical Service to improve the quality, reliability and coverage of statistics.

36. **In light of Government's commitment to pressing ahead with the fiscal agenda while also reviving the GSGDA II, the Government requested that the World Bank Group support both objectives, including by extending the time-frame of this CPS by two years to align with the GSGDA programming cycle.** Alignment of CPS preparation/implementation with Ghana's own development planning cycle would not only help to ensure greater consistency between Government priorities and CPS support, it would also enable stronger Government ownership of the CPS program and allow for coordinated monitoring and measurement of key results. Extension of this CPS period also has a number of additional benefits -- not least, a clearer picture of IDA resources available for Ghana under IDA18 and sufficient time to undertake the new analyses needed (Poverty Assessment and SCD) to inform the next development plan under preparation by Government of Ghana and underpin the next CPS. New data on living standards (GLSS 7) will become available only in about mid-2017, providing a

more accurate picture of the impact of the fiscal crisis and economic downturn on Ghana's population in terms of changes to poverty and the availability of opportunities for participation in broad-based growth.

37. The main changes to the CPS program -- which were designed to sharpen WBG support for fiscal consolidation and renew support for the medium term development agenda following a relative hiatus during FY14 -- are described below by CPS Pillar and summarized in Annex 2. Annex 1 contains the revised PLR results framework, which has been updated to reflect some of these changes and shifts in priority. The revised PLR results framework more systematically incorporates outcomes expected from IFC's activities in Ghana, given that some IFC interventions are in place and outcomes can be better anticipated.

38. While not deviating substantially from its original aims, changes have been made to the composition and sequencing of the Pillar 1 program to support a more ambitious fiscal consolidation program. As mentioned in Section III, the scope of the planned DPO series has been extended well beyond the expected focus on financial sustainability in the energy sector to address other difficult areas such as the wage bill, arrears management and SOE governance. These new areas had been deemed important at the CPS design stage, but the political will to address them coalesced only after the fiscal crisis unfolded and early attempts by the authorities to stem it proved unsuccessful. The World Bank also approved an IDA Policy Based Guarantee (PBG) for US\$400 million (US\$100 million of its country allocation) which had not been foreseen in the CPS. The PBG guaranteed Ghana's sovereign bond issuance of US\$1 billion which allowed Ghana to access international capital markets at longer maturity tenors than previously possible, in the wake of downgrades of its sovereign debt by credit ratings agencies. Two FY14 capacity building projects, which were to complement the original DPO series were dropped due to MOF's focus on the emerging crisis. They have been replaced by a new operation, the Economic Management Strengthening Project (FY17) that will help strengthen budget planning, debt management and revenue administration. In addition, a planned DPO in the financial sector was dropped in view of the more urgent needs with respect to fiscal consolidation and debt management. Finally, in order to support Ghana's longer-term efforts to better manage key natural resources (Pillar 2), four new grant-funded operations were added to the program for forest management, disaster risk management, land and water resource management and a small grants facility – the Dedicated Grant Mechanism.

39. A key driver of adjustments to Pillar 2 of the CPS is the changed perspective with regard to energy. In light of the substantial drop in oil prices, the uncertainties associated with Nigerian fuel supplies and the availability of domestic natural gas to meet the economy's demand for electricity, a major project for natural gas development -- the Sankofa Gas Project – is now high on the Government's agenda. The Sankofa Project complements the World Bank's and IMF's macroeconomic and fiscal support programs by supporting the GoG strategy to leverage domestic gas and oil resources to develop the manufacturing sector and higher value agriculture. The Sankofa focus will also contribute to greening of the economy by reducing use of heavy petroleum in electricity generation and removal of the main bottlenecks to economic growth – including inadequate and unreliable electricity supply and lack of affordable bank financing for the private sector. It will also require significant investments in infrastructure through effective public-private partnerships (PPP). To support this effort, the World Bank Group has provided an

IDA guarantee of US\$125 million (US\$500 million total exposure) and a complementary IBRD enclave guarantee of US\$200 million (both in FY16) to unlock needed infrastructure investments by catalyzing Foreign Direct Investment (FDI) in the country and setting a significant precedent in the international investment markets. In June 2016, the Board approved IFC's investment participation in Sankofa up to US\$300 million and MIGA guarantees up to US\$450 million. A Results Based project in energy, foreseen in the CPS for FY15, was dropped in light of the new strategic focus on Sankofa.

40. IFC's key strategy focus in Ghana is to help build a much needed sustainable electricity sector. In supporting private sector participation IFC has undertaken a phased approach to implementing Public Private Partnerships (PPPs) for Ghana's electricity distribution sector. In the initial phase, IFC helped define the most appropriate options for private sector participation in state distribution companies. In February 2015, the Government of Ghana decided to retain IFC services as transaction advisor, to implement a concession agreement for Electricity Company of Ghana (ECG). In promoting the country's energy mix strategy and growth of oil and gas sector in particular, IFC has made equity and debt investments in Kosmos Energy and Tullow Oil that helped Ghana achieve first oil production from the Jubilee oil field and generated significant fiscal revenues. Since passage in 2013 of a local content law for the petroleum industry, the two investments made domestic purchases worth about US\$227 million in 2014. IFC also partnered with the Ghana Chamber of Mines and the Minerals Commission on a three-year National Supplier Development Program (NSDP) aimed at building local suppliers' capacity to participate in the Ghanaian extractive sector. IFC, in collaboration with Newmont Ghana Gold Limited (NGGL), has also been working on means of increasing benefits to communities located adjacent to mines and other extractive industries. Specifically, it supported development of local businesses to participate in the supply chain of mining operations. To date, the program has successfully mentored 42 local businesses, generating sales of US\$12.9 million.

41. Although the planned effort to further strengthen the overall financial sector framework through an IDA DPO was dropped (Pillar 1), IFC has supported inclusive growth through improved access to finance for MSMEs during this CPS -- a key strategic pillar for IFC's Investment and Advisory Services work in Africa. IFC investments over the CPS period in Ghana through Advans Ghana, UT Bank and EBG facilitated the disbursement of 2,954 SME loans valued at over US\$105 million and the disbursement of over 29,000 micro loans valued at over US\$29 million. IFC's Ghana Collateral Reform advisory project, enabled about 4,223 SMEs to receive loans secured with movable property and facilitated nearly US\$4 billion worth of financing. In addition, IFC's Africa Credit Bureau Program (ACBP 2), supported improvements to Ghana's credit reporting system, facilitating over US\$144 million in financing to MSMEs. IFC also worked with both telecommunications companies (Millicom/Tigo Ghana) and banks (Fidelity Bank) to expand mobile money services and promote financial inclusion. IFC's partnership with Tigo was part of the Partnership for Financial Inclusion, a joint initiative of IFC and the MasterCard Foundation to expand microfinance and advance mobile financial services in Sub-Saharan Africa. IFC's engagement is expanding the mobile money agent network has facilitated over 970,000 million additional non-cash transactions per month, reaching over 21,600 remittance customers. In March 2016, IFC and Fidelity Bank, agreed to collaborate on use of the bank's inclusive banking service product (Smart Account) to support 600,000 new

users. IFC’s investments in the information sector supported 6.17 million phone line subscribers and 1.3 million internet users.

42. **Other important changes in Pillar 2, concern the transport sector, where the WBG made several changes to the planned program and engaged in a new area—maritime infrastructure.** A results-based operation for the roads sector (planned for FY16) was dropped, amid continuing concerns about procurement and overall fiduciary oversight. Instead, two investment operations, which involve stricter application of procurement and financial management guidelines, will proceed. These include an AF of US\$25 million in FY16 and an additional US\$150 million in FY17 is planned for the proposed Transport Sector Improvement project. Complementing the Bank’s support for roads and trade logistics, IFC is playing a central role in supporting development of the Ghana’s port infrastructure. In March 2016 to support Ghana’s biggest port Tema, IFC obtained Board approval for a financing package of up to US\$667 million -of which US\$195 million for IFC’s own account and US\$472 million as mobilization. IFC committed its “A” loan in June 2016. The project involves the development of a new container terminal in the Port of Tema which will increase Ghana's competitiveness, and drive trade growth by introducing modern efficient container handling capacity. As such, it will help improve logistics performance in Ghana - an area which is strongly associated with the reliability of supply chains and the predictability of service delivery for producers and exporters.

43. **The need to focus squarely on bolstering the social safety net in the wake of the fiscal crisis and to better understand the impact of the crisis on population welfare has driven changes to Pillar 3.** In this context, while Government decided to proceed with a planned Maternal and Child Health Project (FY14), it decided to drop a planned operation aimed at longer-term strengthening of health systems, including health insurance. Similarly, a new AF (US\$50 million) was added to the program to extend the successful Social Opportunities Project in place of some smaller youth employment initiatives. IFC has been engaged in Pillar III principally through its Health in Africa Initiative (HiA), which aims to improve the operating environment for the private health sector by supporting policy, legal and regulatory reforms. *Inter alia*, the initiative will help standardize pricing to make human resources more affordable and lead to private sector delivery of quality services to 500,000 people by 2018. However, privatization of health care in Ghana continues to be a challenge given on-going labor disputes.

44. **A final change to Pillar 3 concerns the addition of new ASA activities (FY16-FY18) to build knowledge about and recommend strategies and evidence-based policies to address poverty and vulnerability** (as shown in Annex 1) in the current Ghanaian context. One area that will be analyzed in some detail (which was not foreseen in the original CPS) is gender equality – including a gender analysis in FY17 and a macroeconomics and fiscal management (MFM) investments and gender study in FY18. These studies will help inform gender-focused actions for the next country strategy.

VI. Risks to CPS Program

A. Revised Systematic Operations Risk-Rating Tool

Risk Categories	Rating (H, S, M or L)
1. Political and governance	S

2. Macroeconomic	S
3. Sector strategies and policies	M
4. Technical design of project or program	L
5. Institutional capacity for implementation and sustainability	M
6. Fiduciary	M
7. Environment and social	M
8. Stakeholders	L
9. Other (security)	L
Overall	M

45. **Overall, the risks to the program identified in the original CPS are still valid.** The two risks highlighted in the CPS were macroeconomic risks and political and governance risks – both of which continue to be the most important for the remainder of the CPS period. Overall risk rating is moderate.

46. **The CPS pointed to macroeconomic risks deriving from Ghana’s large and growing dependency (for foreign exchange and government revenues) on a narrow range of internationally traded commodities.** As events have evolved over the past three-four years it is clear that not only did these risks materialize, but they continue to be substantial at the present time. The fiscal consolidation program adopted by the Government with support from the IMF, the World Bank and other partners has helped to mitigate this risk to some extent, but the country’s outlook remains vulnerable to volatility in international commodity prices and global financial conditions as previously discussed in this document. The key to sustainably reducing macroeconomic vulnerabilities is to diversify and broaden the base of the economy through increasing agricultural productivity and stimulating the growth of SMEs, a goal which is at the core of Ghana’s development strategy and the program supported under this CPS. An expanded, more effective safety net that can be scaled up in the event of a crisis is another central element of the CPS program.

47. **Political and governance risks also remain substantial though progress has been achieved in some areas since the CPS was designed.** As mentioned in the section on portfolio, the run-up to elections has often been costly to the development agenda in Ghana (as in many other countries), both by distracting the attention of key decision-makers and by encouraging fiscal indiscipline. With national elections scheduled for end 2016, there is a substantial risk that the macroeconomic stabilization effort could be jeopardized if spending pressures materialize. However, the Government’s commitment to fiscal consolidation and the Extended Credit Facility (ECF) arrangement with the IMF will help to mitigate this risk to some extent. In the aftermath of the elections, the CPS program could be affected by the turnover of officials and technical personnel at all levels of government –as has often occurred in the past, sometimes even when the same political party has been returned to power. Should a large number of officials associated with the CPS program be displaced following the upcoming election, implementation will undoubtedly suffer. While the need for continuity of project staff will be an important theme in the World Bank’s dialogue with various stakeholders in Ghana, the risk posed by personnel changes cannot be fully mitigated. Some of the actions taken by the World Bank to improve portfolio performance (e.g., establishment of an Implementation Support Team) could prove useful in ensuring a smoother post-election transition.

ANNEX 1: Updated CPS Results Matrix

Country Development Goals ¹	Issues and Obstacles ²	CPS Outcomes ³	Milestones ⁴	Bank Program (and Partners) ⁵
Pillar 1: Improving Economic Institutions				
Reduction in volatility of fiscal policy outcomes and pro-cyclical nature of fiscal policy	Obstacles to strong fiscal outcomes include: (i) inadequate budget allocation and expenditure control processes (especially public wage bill and SOE); (ii) weak economic institutions to inform budget policy/ process; (iii) lack of modern tools (e.g., IT platforms) to increase efficiency the lack of tools to manage the budget; and (iv) the lack of transparency and timeliness in information release that prevent citizens from monitoring impacts of public policy.	<p>1.1 Strengthen public financial management and improved e-governance</p> <p>Average expenditure out-turn compared to originally approved budget (PEFA score) <i>Baseline (FY13): C</i> <i>Target (FY18): B</i></p> <p>Data source: PEFA self-assessment</p> <p>Improved control of the wage bill – public wage to tax revenue ratio falls (percent) <i>Baseline 52.9% (2014)</i> <i>Target <45% (end 2017)</i></p> <p>Strengthening of NDPC</p>	<p>Ministries, Departments and Agencies (MDAs) preparing budgets on Oracle platform (eGhana) <i>Baseline: 0</i> <i>Target: 28</i></p> <p>Data source: direct observation on budget report preparation</p> <p>At least 10 Ministries are covered in the Comptroller and Accountant-General’s monthly report showing the # of workers before and after the Electronic Salary Payment Voucher (ESPV) validation. <i>Baseline: 0 (FY13)</i> <i>Target: < 10 (FY17)</i></p> <p>Capacity in place for production of NIP and PIP by <i>Baseline: No, NIP or PIP</i></p>	<p>Lending: Macro Stability for Competitiveness and Growth DPO I-III (FY13-FY18); Local Government Capacity Support Project (IPF, FY11); eGhana Project (IPF, FY07); Ghana PFM Reform Project (IPF, FY15); Economic Management Strengthening Project (IPF, FY17); PBG (GU, FY15)</p> <p>ASA: Debt Management Performance Assessment (DeMPA); Strengthening of Accounting Profession; Just in time Policy Notes; Debt and Risk Management TA; Enhancing Urban Resilience TA; Distributional Impact of Fiscal Policy; Banking Sprvn and Crisis Mngmnt TA; Capital Markets Reglt and Sprvn TA; Systematic Country Diagnostic (SCD); ROSC Assessment; PFM</p>

¹ Longer-term or higher-order development objectives are usually not achievable in the CPS period nor solely addressed by the CPS program. Only those to which CPS outcomes will contribute are included.

² Critical issues and obstacles to achieving country development goals provide the logical link to CPS outcomes.

³ Country results deemed achievable in the CPS period and which the World Bank expects to influence through its interventions. Indicators of each outcome are included, with baselines and targets and data sources.

⁴ Progress markers of CPS implementation; outputs, actions, or outcomes expected to be realized during CPS implementation.

⁵ Ongoing and planned lending, grants, and guarantees; analytical and advisory activities. Includes IBRD, IDA, IFC, and MIGA. Partners included if co-financing or other support of same CPS outcome.

Country Development Goals ¹	Issues and Obstacles ²	CPS Outcomes ³	Milestones ⁴	Bank Program (and Partners) ⁵
		<p>capacity for policy analysis, forecasting and projecting as demonstrated by preparing satisfactory a National Infrastructure Plan (NIP) and Public Investment Program (PIP)</p> <p><i>Baseline: No, NIP or PIP</i> <i>Target: Yes, NIP and PIP prepared by 2018</i></p>	<p><i>FY14)</i> <i>Target: Yes, NIP and PIP prepared by FY18</i></p>	<p>Reform Study; Electricity Company of Ghana TA; Environmental resilience Analysis;</p>
<p>Promote evidence-informed policy-making</p>	<p>Ghana has the institutions and the legal framework to support a national M&E and statistical system, but there are serious gaps in availability, quality, timeliness and use of the information collected. The WB Statistical Capacity Indicator for Ghana in 2012 was 59 (out of 100)⁶, dropping from 62 in 2011 and 66 in 2010. Ghana's score now falls below that of a number of other SSA countries.</p>	<p>1.2 Strengthen national statistical system</p> <p>Proportion of statistical products released in accordance with national statistics release calendar (percent) <i>Baseline: 0% (no release calendar)FY13</i> <i>Target: 50% FY18</i></p> <p>Data source: Annual review of publication dates compared with release calendar 80 (Dec 2015)</p> <p>Statistical Capacity Score (GSDP) (score) <i>Baseline: 59 (FY12)</i> <i>Target: 70 (FY18)</i></p>	<p>Months between end of data collection and release of main report for household surveys(GSDP) (number) <i>Baseline: DHS= 12, GLSS = 18, MICS = 18</i> <i>Target: DHS= 9, GLSS = 9, MICS = 12</i></p> <p>MDAs and MMDAs with annual progress report made publicly available (General Budget Support) (number, percent) <i>Baseline: 0</i> <i>Target: 20 MDAs and 50 percent of MMDAs in all regions</i></p> <p>Data source: www.ndpc.gov.gh</p>	<p>Lending: Statistics Development Program (IPF, FY11); NREG TA (IPF, FY13); Disaster Risk Management Country Plan (TF, FY15);</p> <p>ASA: Ghana Living Standards Survey VI; Integrated Business Establishment Survey; Energy Sector Review; GH-Municipal Financing Sekondi and Takoradi; Pension/Poverty Trends Notes; SOE Governance Study; National Anti-Money Laundering/CFT Risk Assessment; Public Sector Wage Bill Study; PER; PFM Bottlenecks to Service Delivery;</p>
<p>Facilitate land tenure and improve land administration</p>	<p>Issues of regularizing land acquisitions and streamlining the legal status of leases for investment purposes are prominent. Lack of open and transparent land market is a main obstacle</p>	<p>1.3 Strengthened land administration</p> <p>Turnaround time for title registration reduced (LAP2) (month) <i>Baseline: 7 months (FY12)</i> <i>Target: 3 months (FY18)</i></p>	<p>Number of land transactions registered <i>Baseline: 0</i> <i>Target: 30,000</i></p> <p>Data source: Project M&E</p>	<p>Lending: The Land Administration Project II (IPF, FY11)</p> <p>ASA</p>

⁶ See <http://data.worldbank.org/data-catalog/bulletin-board-on-statistical-capacity>.

Country Development Goals ¹	Issues and Obstacles ²	CPS Outcomes ³	Milestones ⁴	Bank Program (and Partners) ⁵
	for further development in many sectors.	Data source: Regional Lands Commissions Basic information on standard statutory fees, land values and charges on land transactions made publicly available (disaggregated by media, on-line, website and brochures. <i>Baseline: No (FY12)</i> <i>Target: Yes (FY18)</i>	Records	Disaster Preparedness & Watershed Management; Urban Local Government Exchange;
Preparing for the oil and gas era	The future strategic challenges in the development of the oil and gas potential include establishing a transparent, efficient, and predictable revenue management and regulatory regime across the entire value chain.	1.4 Increase oil and gas sector transparency Oil and gas contracts made available to the public (OGCBP) <i>Baseline: No</i> <i>Target: Yes</i> Data source: government website	Staff of resource economic institutions (MoE and Regulator if established) trained in regulatory and management skills for oil and gas (OGCBP)(number) <i>Baseline: 25</i> <i>Target: 120</i> Data source: reports by training providers	Lending: Oil and Gas Capacity Building Project (Original and Additional Financing, IPF, FY11, FY14); Sankofa IDA guarantee US\$125 million (US\$500m exposure) and IBRD enclave guarantee US\$200m (GU, FY16); IFC's investment in Sankofa US\$300m and MIGA Sankofa Gas Fields guarantees US\$450m (IFC, FY16);
Pillar 2: Improving Competitiveness and Job Creation				
Improve access and quality of education and reduction in regional disparities in education	Ghana has made significant progress towards universal primary education for boys and girls, but major gaps persist in the quality of education, including wide regional disparities which should be addressed on a priority basis.	2.1 Improve access and quality of education Students achieving proficiency in English and Math (NEA results for deprived districts) (GPEG) (percent) <i>Baseline: P3 English: 12.4%; P3 Math: 9.0% (FY14)</i> <i>Target: P3 English: 14% P3 Math: 12.5% (2018)</i> Data source: National Education Assessment	Public basic schools in deprived districts with up-to-date School Report Cards (GPEP) <i>Baseline: 0</i> <i>Target: 20</i> Data source: Report of analysis and summary of School Report Cards	Lending: Ghana Partnership for Education project (EFA grant, FY13); Secondary Education Improvement Project (IPF, FY14); Africa Regional Higher Education Centers of Excellence (IPF FY14); Secondary Education Pr. AF (IPF, FY18) ASA Demand and Supply of TVET Skills Note;

Country Development Goals ¹	Issues and Obstacles ²	CPS Outcomes ³	Milestones ⁴	Bank Program (and Partners) ⁵
<p>Productivity growth and increased competitiveness through skills and technology in non-traditional sectors</p>	<p>Ghana is relatively weak in the areas of education, technology, innovation, and labor market efficiency. GoG aims to improve the efficiency and competitiveness of small and medium enterprises by facilitating access to skills training and facilitate technology transfer, and nurture a workforce with the right attitude, skills and knowledge.</p>	<p>2.2 Improve skills development and technology adoption</p> <p>Labor productivity by participating firms (GSTDP) increased by 40 percent</p> <p>IFC: Students graduated (on computer science, management information systems and business administration) at Ashesi University (number) <i>Baseline (2007): 350</i> <i>Actual Value (2013): 355</i> <i>Target (2013): 525</i> <i>Cumulative Value (2015): 557</i></p> <p>Data Source: DOTS (IFC)</p> <p>2.3 Improved finance in support of SMEs</p> <p>SMEs receiving loans secured with movable property (number) <i>Baseline (2010): 200</i> <i>Target (2014): 4000</i></p> <p>Non-cash transactions per month (US\$) <i>Baseline (2014): US\$139,475</i> <i>Target: (2018): US\$7,250,000</i></p> <p>Data source: DOTS&ASOP(IFC)</p>	<p>New training courses/new partnerships established with firms (GSTDP)(number) <i>Baseline: 0 (FY12)</i> <i>Target: 8 (FY17)</i> Data source: SDF M&E</p>	<p>Teacher Community Assistance TA; Competitiveness and Job Creation Policy Notes; Manufacturing sector Competitiveness Note;</p> <p>Lending: Ghana eTransform (IPF, FY14); Skills and Technology Development Project (IPF, FY11);</p> <p>ASA Financial Inclusion Strategy; Structural Transformation Note; Programmatic Urbanization TA; Doing Business reform;</p> <p>IFC: Ashesi University FY11 (27152)</p> <p>ASA Fin Sector Note; Ag Sector Policy Notes; Prioritizing Infrstr Invest-Spatial Lens; Access to Finance Note; Developing Regional PPP Capacity; Private Sector Dialogue</p> <p>IFC: Advans GH RI 3 (33856); UT Bank (30735); EBG RSF (25757); MFS - Tigo Cash Ghana (600351); Ghana Collateral Reform (552667);</p>

Country Development Goals ¹	Issues and Obstacles ²	CPS Outcomes ³	Milestones ⁴	Bank Program (and Partners) ⁵
<p>Increased access of households and industry to reliable and adequate energy supply and diversification of the national energy mix</p>	<p>Availability, reliability and quality of the electricity service remains unsatisfactory as the demand for power is rising sharply, straining the existing generation and distribution capability of the sector. Frequent blackouts cause major disruptions to economic and social activities. In light of the substantial drop in oil prices, the uncertainties associated with Nigerian supplies and the availability of domestic natural gas to meet the economy's demand for electricity, development of cleaner domestic energy sources is a high priority.</p>	<p>2.4 Increased energy generation and trade in electricity</p> <p>Reduction in average annual hours of unplanned power outages per consumer in ECG system (annual hours) <i>Baseline: 200 (2007)</i> <i>Target: 90 (2017)</i></p> <p>Increase in volume of domestic natural gas supplied to power plants from the Sankofa gas field MMcfg) <i>Baseline: 0 (2016)</i> <i>Target: 150 MMcfg (mid-2018)</i></p> <p>Increase in GWh produced from alternative renewable energy sources with IFC support (GWh) <i>Baseline (2010): 1,164</i> <i>Target: 2,474</i></p> <p>Data Source: DOTS (IFC)</p>	<p>Reduction in unplanned power outages to <150 annual hours per consumer in ECG system by end 2017</p> <p>Private Sponsors have begun payments under a long term operational lease arrangement for the Floating Production Storage and Offloading (FPSO) vessel (2016)</p>	<p>Lending: Ghana Energy Development and Access Project (GEDAP) AF (IPF, FY15); Sankofa Gas Project (GU, FY15); Climate Innovation Center TF (IPF, FY16); IPP Guarantees (GU, FY18);</p> <p>ASA Energy Sector Review; Natural Gas Pricing Policy Note;</p> <p>IFC: Takoradi II (TICO) (30228); Sankofa Gas Project (FY 16);</p> <p>MIGA: Sankofa Gas Fields (FY16);</p>
<p>Enhanced opening-up of markets, especially in most deprived areas through road, rail, air, maritime and inland transport and water resources</p>	<p>There are regional disparities in access to the main trunk routes in several regions. The lack of proper connectivity, which could expand intra-regional trade and markets, is not available for many communities, particularly in the North. The linkages to regional markets are essential to increase shared prosperity which requires</p>	<p>2.5 Improve mobility of goods and passengers</p> <p>Condition of road network in good and fair condition – Trunk Roads (percent) <i>Baseline: 72</i> <i>Target: 88</i></p> <p>Data source: annual dry and wet season survey by Ministry of Roads and Highways</p>	<p>Length of road network (trunk, urban, and feeder) rehabilitated (TSP)(km) <i>Baseline: 0</i> <i>Target: trunk: 52, urban: 14.8 rural: 110 feeder: 300</i> Data source: report Progress reports by supervision consultant⁷</p> <p>Funding for road maintenance</p>	<p>Lending: Transport Sector Project AF (IPF, FY15), Urban Transport Sector Project (IPF, FY07); West Africa Abidjan-Lagos Transport and Transit Facilitation Project (IPF, FY10); Transport Sector Project (IPF, FY17);</p>

⁷ Project refers to the whole engineering process.

Country Development Goals ¹	Issues and Obstacles ²	CPS Outcomes ³	Milestones ⁴	Bank Program (and Partners) ⁵
	modernizing the existing main corridors linking major regional centers and the capital, as well as neighboring countries. There are also critical logistical bottlenecks because of the lack of modern ports and airports.	<p>Border crossing time of trucks/merchandise along the s Elubo-Noe border and Kodjoviakope-Aflao reduced (days) <i>Baseline: 36</i> <i>Target: 19</i></p> <p>Data source: Abidjan-Lagos Corridor Organization annual estimate of border crossing time</p> <p>Increased Tema Port Container Operations (Mln TEU Containers) <i>Baseline (2015): 0.6458</i> <i>Target (2021): 0.75</i> Data Source: DOTS (IFC)</p>	<p>of the planned maintenance needs <i>Baseline: 60 percent</i> <i>Target: 75 percent</i></p> <p>Data source: Road Fund Audit report</p> <p>Roadblocks along the Abidjan-Lagos corridor in Ghana (number) <i>Baseline: 30</i> <i>Target: 3</i> Data source: physical count/direct observation</p>	
Accelerated agricultural growth and increased productivity and marketing	Deforestation and climate change phenomenon are creating a volatile agriculture production for people, particularly in the North, because of droughts or floods. The need to learn sustainable natural resource management, in particular of land and water is essential if the poor in Ghana are to mitigate these risks at the community level.	<p>2.6 Improved land and water management Area of land in selected micro-watersheds under new sustainable land and watershed management technologies (ha) <i>Baseline: 0</i> <i>Target: 6,000</i></p> <p>Data source: annual survey by SLWMP M&E team.</p> <p>Land under formal commercial arrangements for sustainable improved rain fed rice in the SADA zone (ha) <i>Baseline: 0</i> <i>Target: 5,000 ha (2018)</i></p>	Under its matching grants activities, GCAP is investing in the development of 4,000 ha of land for sustainable improved rain fed rice in the SADA zone. Works for 700 ha are expected to start in April 2016 with another 1,700 ha following the 2016 harvest. The total would exceed the 1500 ha target for 2016	<p>IFC: MPS Tema Port (36706) ;</p> <p>Lending: SLWRM Project AF (GEF, FY16);</p> <p>Grants: Enhancing Natural and Agro-Forest Landscapes Project (FY15); Dedicated Grant Mechanism(FY17);</p> <p>ASA Pwalugu Economic Growth and Poverty reduction study;</p>
	It is necessary to increase productivity in agriculture as a way to increase	2.7 Increased adoption of new agricultural technologies		Lending:

Country Development Goals ¹	Issues and Obstacles ²	CPS Outcomes ³	Milestones ⁴	Bank Program (and Partners) ⁵
	<p>shared prosperity to smallholders, through innovation, utilization of appropriate technologies, equipment, and irrigation facilities as well as development of value chains, encouraging commercial farmers' linkages without-growers and Farmer-Based Organizations. Most poor people in the North of Ghana are dedicated to farming of cash crops that are vulnerable to droughts or pests.</p>	<p>Processors/producers who have adopted at least one new technology (WAPP II) increased (number) <i>Baseline: 25,000 (2013)</i> <i>Target: 250,000 (2016)</i></p> <p>Data source: Annual assessment/survey WAAPP II M&E team</p>		<p>West Africa Agricultural Productivity Program II (IPF, FY12); Pwalugu Multipurpose Dam (IPF, FY18)</p> <p>IFC: Vegpro (664184);</p>
	<p>Many of Ghana's fish resources are heavily overexploited with too many vessels competing to catch too few fish, with little incentive to invest in management and value addition. With the introduction of recovery measures could contribute far more than they currently do to the country's economic growth, food security and poverty reduction.</p>	<p>2.8 Improved management of fish and aquatic resources</p> <p>Share of total landed catch with improved handling at landing sites supported by the project (percent) <i>Baseline: 0</i> <i>Target: 10% (2017)</i></p> <p>Data source: Fishery Commission social economic survey</p>	<p>Satellite based fishing vessel monitoring system is in place for the 200 mile exclusive economic zone and monitoring 24 h/day (WARFP)(Yes/No) <i>Baseline: No</i> <i>Target: Yes</i></p> <p>Data source: direct observation at Fisheries Commission</p>	<p>Lending: West Africa Regional Fisheries Project (WARFP) (IPF, FY12);</p>
Pillar 3: Protecting the Poor and Vulnerable				
<p>Reduce disparities and inequality along the North-South divide, the Western and Eastern corridors, in gender and age and for people with disabilities</p>	<p>The poor in Ghana are heavily concentrated in the North, and in pockets in the South, which have a common challenge, access to public services, in particular, quality education and health. There are in place social safety-nets programs in</p>	<p>3.1 Expansion of social protection</p> <p>Beneficiaries of safety net programs and labor-intensive public works programs –number of beneficiary households (females) <i>Baseline: 80,000 (15,000)</i></p>	<p>Targeting performance (share of beneficiaries from the poorest 20 percent of the population) (percent) (GSOP)</p> <p>Baseline: 50 Target: 60</p> <p>Data source: Annual Performance Review</p>	<p>Lending: Ghana Social Opportunities AF (IPF, FY14);</p> <p>ASA: Support to Common</p>

Country Development Goals ¹	Issues and Obstacles ²	CPS Outcomes ³	Milestones ⁴	Bank Program (and Partners) ⁵
	<p>which targeting needs to be improved as to include more households at risks, such as those headed by a woman. The two national programs, the NHIS and LEAP are not fully aligned and further targeting is needed to reach out to women and children - and especially people living with disabilities.</p>	<p><i>Target: 390,000 (253,500) (2017)</i></p> <p>Data source: Bi-annual Accounts by LEAP</p>	<p>Person days provided in labor intensive work (GSOP)</p> <p><i>Baseline: 305,000</i> <i>Target: 450,000</i></p> <p>Data source: Quarterly monthly reports consolidated by NCO Monitoring report</p>	<p>Targeting System; Poverty and Labor Assessment; Gender analysis; Macroeconomics and fiscal management (MFM) investments and gender study; Building National Targeting System TA; Health Insurance review; Poverty Notes; Pensions TA; Youth and Jobs TA; Consumer Protection TA;</p>
<p>Improving access to health services and improved water supply and sanitation</p>	<p>Major challenge in health sector is to close the large gaps in access to health care across gender, geography and income quintiles in addition to improving the efficiency and quality of service delivery in order to accelerate Ghana's progress in improving maternal and infant mortality.</p>	<p>3.2 Improved maternal health</p> <p>Births (deliveries) attended by skilled health personnel (HSSP) (percent) <i>Baseline: 59 (FY14)</i> <i>Target: 70 (FY18)</i></p> <p>Data source: health facility data (presented at annual health sector review)</p> <p>Proportion of mothers of children under two years of age who had at least four pre-natal care visits during their most recent pregnancy (percent) <i>Baseline: 74.6% (FY14)</i> <i>Target: 85% (FY18)</i></p> <p>Data source: routine surveys by sub-districts and village health volunteers</p> <p>Number of people (male and female) receiving access to improved services in privately</p>		<p>Lending: Maternal and Child Health and Nutrition Improvement Project (IPF, FY14);</p> <p>ASA Child Health Nutrition and Population Community PBF Impact Evaluation</p>

Country Development Goals ¹	Issues and Obstacles ²	CPS Outcomes ³	Milestones ⁴	Bank Program (and Partners) ⁵
	<p>Despite recent improvements, expansion of access to improved water lags behind population growth in urban areas. Between 1990 and 2010, the urban population grew by 5.4 million without the corresponding expansion in piped water supply, affecting particularly the poor.</p>	<p>operated clinics supported by IFC <i>Baseline (2012): 0</i> <i>Target (2018): 70,000</i></p> <p>Data source: DOTS (IFC)</p> <p>3.3 Increase access to improved water supply and sanitation</p> <p>People in poor urban and rural areas provided with access to improved water sources (number) <i>Baseline: 0</i> <i>Target: 1,350,000</i></p>	<p>New piped household water connections (number) (SRWSP, GAMA, UWP)</p> <p><i>Baseline: 9,200</i> <i>Target: 20,000</i></p> <p>Data source: data from technical audit</p>	<p>IFC: Ghana Health In Africa Initiative (586827);</p> <p>Lending: Sustainable Rural Land, Water and Sanitation Project (IPF, FY10), Urban Water Project AF (IPF, FY12); GAMA (IPF, FY13);</p> <p>ASA: Institutional Options Urban Water and Sanitation</p>

ANNEX 2: Matrix of changes to original CPS Results Matrix⁸

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
Pillar 1: Improving Economic Institutions					
Outcome 1.1: Strengthened public financial management and improved e-governance					
Improved PEFA score relating to average expenditure out-turn compared to originally approved budget (eGhana)	Rating	C	B	No Change	
Improved control of the wage bill – public wage to tax revenue ratio falls	Percent	52.9%	<45%	New	Added to reflect intensified focus on budget control as per new DPO series.
Strengthening of NDPC capacity for policy analysis, forecasting and projecting as demonstrated by preparing a satisfactory National Infrastructure Plan (NIP) and Public Investment Program (PIP)	No/yes	No NIP or PIP	NIP and PIP prepared by 2018	New	Added to reflect the focus of the Economic Management Strengthening Project (FY17), which was added to the program.
Transactions of the main public service targeted by the project (eGhana) increases	Number	13,223	100,000	Dropped	Target unit was not related to the actual or the baseline unit. Implementation completion report (ICR) clarified and updated actual achievement in percent (%) terms (see Annex 3 for status).
Outcome 1.2: Strengthened national statistical system - (revised)					
Proportion of statistical products released in accordance with national statistics release calendar (GSDP) improved	Percent	0	50	No Change	
Statistical Capacity Score (GSDP)	Rating	59	70	No	

⁸ As noted in the main text, in addition to the changes described here, a number of outcomes/milestones related to IFC activities have been included in the revised PLR matrix (Annex 1).

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
increased				Change	
Outcome 1.3: Strengthened land administration					
Turnaround time for title registration (LAP2) reduced	Months	7	3	Revised	The end target was revised from 2 in the original CPS to 3 months, reflecting the findings of the project supervision teams about the infeasibility of achieving the 2 month target given capacity constraints.
Basic information on standard statutory fees, land values and charges on land transactions made publicly available (disaggregated by media, on-line, website and brochures)	No/Yes	No	Yes	New	Added to reflect the greater emphasis on transparency with respect to key Government functions.
Outcome 1.4: Increased oil and gas sector transparency - (revised)					
Oil and gas contracts made available to the public (OGCBP)	Yes/No	No	Yes	No Change	
Outcome 1.5: Strengthened local government capacity – (dropped)					
Variance between MMAs allocations and actual receipts of DACF + DDF +UDG (LGCSP) reduced from 37 percent to 20 percent	Percent	37	20	Dropped	Driven by the changes in the country context and given the shift in focus of the CPS, this outcome was dropped from the matrix.
Increase in survey scores on citizens' engagement with urban assemblies and their perception of urban management (LGCSP)	Percent	0	10	Dropped	Driven by the changes in the country context and given the shift in focus of the CPS this outcome was dropped from the matrix. The outcome was achieved however (see Annex 3).
Pillar 2: Improving Competitiveness and Job Creation					

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
Outcome 2.1: Improve access and quality of education - (revised)					
Students achieving proficiency in English and Math (NEA results for deprived districts) (GPEG) (percent)	Percent	English:12.4 % Math: 9.0%	14% 12.5%	No Change	
Outcome 2.2: Improve skills development and technology adoption					
Labor productivity by firms participating in skills program (GSTDP) increased by 40 percent	Percent	0	40	No Change	
<i>IFC</i> : Students graduated (on computer science, management information systems and business administration) at Ashesi University	Number	350	525	New	This indicator was added to reflect IFC focus on supporting skills development.
Outcome 2.3: Improved finance in support of SMEs - (new)					
SMEs receiving loans secured with movable property	Number	200	4,000	New	Added to reflect IFC work on credit registry
Non-cash transactions (per month)	US\$	139,475	7,250,000	New	Added to reflect IFC work on SMEs.
Outcome 2.4: Increased energy generation and trade in electricity – (revised)					
Power losses along the principal transmission interconnection WAPP “Zone A” in Ghana reduced	Percent	4	2	Dropped	CPS focus shifted to domestic energy generation.
Reduction in average annual hours of unplanned power outages per consumer in ECG system	Annual hours	200	90	New	Added to reflect new CPS focus on development of domestic natural gas in place of imports.
Increase in volume of domestic natural gas supplied to power plants from the Sankofa gas field	MMcfg	0	150	New	Added to reflect new CPS focus on development of domestic natural gas in place of imports.
Increase in GWh produced from efficient energy sources with IFC support	GWh	1,164	2,474	New	Added to reflect IFC work on electricity generation.
Outcome 2.5: Improve mobility of goods and passengers					

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
Condition of road network in good and fair condition – Trunk Roads (all transport project) increased	Percent	72	88	No Change	
Border crossing time of trucks/merchandise at Elubo-Noe border and Kojoviakope-Aflao reduced	Days	36	19	No Change	
Increased Container Operations at Tema Port	M TEU Containers	0.6458	0.75	New	Added to reflect IFC Tema Port Operation
Outcome 2.6: Improved land and water management					
Area of land in selected micro-watersheds under new sustainable land and watershed management technologies increased from 0 ha to 2,000 ha	Ha	0	6000	Revised	Target revised upwards given extension and additional grants in this area.
Land under formal commercial arrangements for sustainable improved rain fed rice in the SADA zone	Ha	0	5000	New	Added to reflect CPS focus on agriculture in the underdeveloped SADA zone.
Outcome 2.7: Increased adoption of new agricultural technologies					
Processors/ producers who have adopted at least one new technology (WAAPPII) increased	Number	25,000	250,000	No Change	
Outcome 2.8: Improved management of fish and aquatic resources					
Annual net economic benefits from targeted fisheries (non-motorized marine canoe fisheries only) remains at US\$99.5m	US\$US	99.5m	99.5m	Dropped	Indicator was dropped due to lack of reliable data.
Share of total landed catch with improved handling at landing sites supported by the project	Percent	0	10	New	Added to reflect the CPS focus on improved fisheries management.

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
Pillar 3 Protecting the Poor and Vulnerable					
Outcome 3.1: Expanded social protection					
Beneficiaries of safety net programs and labor-intensive public works programs (females) (GSOP) increased	Number	80,000 (15000)	300,000 (40,000)	Revised	No change in content of indicator but target revised from 156,000 to 390,000 in light of the extended CPS period.
Outcome 3.2: Improved maternal health					
Births (deliveries) attended by skilled health personnel (HSSP) increased	Percent	59	70	No Change	
Proportion of mothers of children under two years of age who had at least 4 pre-natal care visits during their most recent pregnancy	Percent	74.6	85	New	Added to reflect the focus on maternal health care.
Number of people (male and female) receiving access to improved services in privately operated clinics supported by IFC	Number	0	70,000	New	Added to reflect IFC's activities under Ghana Health In Africa initiative.
Outcome 3.3: Increased access to improved water supply and sanitation					
People in poor urban and rural areas provided with access to improved water sources increased	Number	0	1,350000	No change	
People in poor rural areas with access to improved sanitation under the project increased	Number	0	600,000	Dropped	Necessary policy and institutional reforms to bolster the investments were not put in place.

ANNEX 3: Matrix Summarizing progress towards CPS objectives

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
Pillar 1: Improving Economic Institutions					
Outcome 1: Strengthened public financial management and improved e-governance					
Improved PEFA score relating to average expenditure out-turn compared to originally approved budget (eGhana)	Rating	C	B	Achieved	Thirty three MDAs are preparing budgets on Oracle platform (surpassing the target of 28). Budget implementation tracking has improved substantially – 2014 expenditure outturn deviated from the approved budget for 2014 by just 2% (above PEFA B) and is expected to achieve at least the target of ‘B’ in PEFA assessment for 2015 and 2016.
Transactions of the main public service targeted by the project (eGhana) increases from 13,223 to 100,000	Number	13,223	100,000	Achieved	The indicator named “Number of transactions on e-government applications” was tracked as Intermediate Outcome Indicator throughout the eGhana project. When the ICR was prepared, the team realized that target unit was not related to the actual or the baseline unit. ICR clarified and updated actual achievement in percent (%) terms to be relatable to the targets. As of March 1, 2015 (after the project closing date), average 70% of the transactions of the targeted public services) were

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
					processed online, well over 100,000.
Outcome 2: Strengthened national M&E and statistical system					
Proportion of statistical products released in accordance with national statistics release calendar (GSDP) improved from 0 to 50 percent	Percent	0	50	On Track	The current value is 60 and project is ongoing.
Statistical Capacity Score (GSDP) increased from 59 to 70	Rating	59	70	On Track	The current value is 66 and the goal of 70 is likely to be reached shortly as the project is ongoing.
Outcome 3: Strengthened land administration					
Turnaround time for title registration (LAP2) reduced from 7 to 2 months	Months	7	2	Revised	Time for title registration is now planned to reach 3 months (versus the original CPS target of 2 months) taking into account realistic estimates of institutional capacity and the regulatory framework.
Outcome 4: Increased transparency in the oil and gas sector					
Oil and gas contracts made available to the public (OGCBP)	Yes/No	No	Yes	Achieved	Oil and gas contracts are now published on an official web site that is accessible to the public.
Outcome 5: Strengthened local government capacity					
Variance between MMAs allocations and actual receipts of DACF + DDF +UDG (LGCSP) reduced from 37 percent to 20 percent	Percent	37	20	Off Track/Not Achieved	This target will not be met due to the fiscal constraint the GoG is facing resulting into delayed and reduced DACF + DDF transfers to MMAs.
Increase in survey scores on citizens'	Percent	0	10	Achieved	The target has been met. There

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
engagement with urban assemblies and their perception of urban management (LGCSF) to 10 percent					is strong Government ownership and Civil Society Organization (CSO) participation. Completed - (i) orientation of MMAs leadership in key social accountability (SA) instruments – SPEFA and Town Hall meetings; (ii) dissemination of the Citizens Perception Survey which stimulated greater community engagements; and (iii) appointment of Social Accountability Focal Points (SAFPs) at MMAs.
Pillar 2: Improving Competitiveness and Job Creation					
Outcome 1: Improve education					
Students achieving proficiency in English and Math (NEA results for deprived districts) (GPEP) increased from English: 12.4 percent and Math: 9.0 percent to English: 14.0 percent and Math 12.5 percent	Percent	English:12.4 % Math: 9.0%	14% 12.5%	Achieved	Targets Exceeded- With respect to NEA results, there has been an improvement and targets have been exceeded for the deprived districts from the baseline as follows: P3 English: 16%; P3 Math 13%. The next NEA was administered in June/July and results expected by September 2016. With regard to public basic schools in deprived districts with up-to-date School Report Cards, the most recent report

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
					indicated 98% of schools meeting this indicator, surpassing the target of 75% for 2016.
Outcome 2: Improve skills development and technology adoption					
Labor productivity by participating firms (GSTDP) increased by 40 percent	Percent	0	40	Achieved	Value added per worker-hour at participating firms had already increased by >50% by mid-2015 as verified by an independent DANIDA evaluation “Verification of Results and Sustainability Study of the Skills Development Fund”, June 2015.
Increased Access to Finance, SME Loans distributed	Number	0	2954	Achieved	The value of the SME Loans Distributed with Baseline (2010): 0 has reached Actual Value (2014): of US\$ 105,405,710, due to IFC interventions.
Outcome 3: Increased trade in electricity					
Power losses along the principal transmission interconnection WAPP “Zone A” in Ghana reduced from 4 percent to 2 percent	Percent	4	2	Dropped	Given new focus on production of electricity fueled by domestic natural gas, attention to the transmission interconnection with neighboring countries has received lower priority. The regional project supporting this activity is ongoing at a very slow pace.
Outcome 4: Improve mobility of goods and passengers					

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
Condition of road network in good and fair condition – Trunk Roads (all transport project) increased from 72 percent to 88 percent	Percent	72	88	On Track	29 Trunk, 10.2 rural and 110 feeder roads completed.
Border crossing time of trucks/merchandise at Elubo-Noe border and Kodjoviakope-Aflao (ALTTFP) reduced from 36 days to 19 days	Days	36	19	Delayed	Interconnectivity of customs systems is still in progress. Joint border post at Akanu-Dodze financed by the EU is not yet operational. Despite the resulting delays the outcome is expected to be achieved by the end of the revised CPS period.
Outcome 5: Improved land and water management					
Area of land in selected micro-watersheds under new sustainable land and watershed management technologies (SLWMP) increased from 0 ha to 2,000 ha	Ha	0	2000	Achieved	Target Exceeded. The area of land already under SLWM practices is 3,090 ha (mid 2016).
Outcome 6: Increased adoption of new agricultural technologies					
Processors/ producers who have adopted at least one new technology (WAAPPPII) increased from 25,000 to 250,000	Number	25,000	250,000	Achieved	Target exceeded: 270,535 producers/processors have adopted at least one new technology.
Outcome 7: Improved management of fish and aquatic resources					
Annual net economic benefits from targeted fisheries (non-motorized marine canoe fisheries only)(WARFP) remains at US\$99,5m	US\$US	99.5m	99.5m	Off Track/Not Achieved	Indicator will be dropped due to lack of reliable data. Team has proposed a new target related to handling of catch which is reflected in the revised matrix.

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
Pillar 3 Protecting the Poor and Vulnerable					
Outcome 1: Expanded social protection					
Beneficiaries of safety net programs and labor-intensive public works programs (females) (GSOP) increased from 80,000 (15,000) to 156,800 (40,000)	Number	80,000 (15000)	156,000 (40,000)	On Track	From Jan 2013 to December 2015, beneficiary household numbers increased from 80,000 to 146,074 beneficiary households against the end of end CPS period target of 156,000. Of these individuals household members, 46% are orphans and vulnerable children, 37% are elderly persons above 65 years and 17% are persons with severe disability.
Outcome 2: Improved maternal health					
Births (deliveries) attended by skilled health personnel (HSSP) increased from 59 percent to 70 percent	Percent	59	70	Achieved	Based on the Ghana DHS 2014 data, 74% of births (deliveries) were attended by skilled health personnel. This represents an increase of 15% since the previous GDHS (2008). The target of 70% of births (deliveries) attended by skilled health personnel has been met.
Outcome 3: Increased access to improved water supply and sanitation					
People in poor urban and rural areas provided with access to improved water sources (SRWSP, GAMA, UWP) increased to 1,350,000	Number	Off Track	1,350,000 (water supply)	Delayed	Target not yet met due to delay in effectiveness and subsequent implementation of GAMA S&W project, which

Indicator	UoM	Baseline Value	End Target Value	Status	Comments
					affected start of activities; bidding for works to start by June 2016. Actual number in 2016 is 850,000. The target will likely be met by the revised CPS end date.
People in poor rural areas with access to improved sanitation under the project (SRWSP) increased from 0 to 600,000	Number	0	600,000	Delayed	Actual number in 2016 is 400,000. Delay caused partly as a result of ineffective application of the CLTS model to Household toilets and partly as a result of delays in the implementation of the GAMA project.

ANNEX 4: Ghana CPS FY13-FY16 IDA Lending and Indicative FY17-FY18 Program

CPS Pillars	CPF Original Term				Indicative Extended CPF Lending	
	FY13	FY14	FY15	FY16	FY17	FY18 Subject to IDA 18 Funding
Pillar 1 Improve Economic Institutions	<i>NREG TA Grant US\$5.0m</i> ASA Disaster Preparedness & Watershed Management; Natural Gas Pricing Policy; Urban Local Government Exchange; Living Standards Survey VI;	Public Sector Reform Project (moved to FY17) Economic Management Modernization (moved to FY17); Oil and Gas Capacity Building AF US\$19.8m; ASA Debt Management Performance Assessment (DeMPA); Energy Sector Review; Municipal Financing Sekondi and Takoradi; Integrated Business Establishment Survey;	<i>Public Financial Management Support US\$45.0m;</i> <i>DPO- Macro Stability for Competiveness US\$150.0;</i> Policy-Based Guarantee (PBG) US\$100.0m (US\$400m); Disaster Risk Management Country Plan (TF, US\$0.8m) ASA Pension/Poverty Trends Notes; FIRST: Strengthening the Accounting Profession	Macro Stability for Competitiveness II (moved to FY17); Financial Sector Development Policy Operation; Sustainable Land and Water Resource Management (GEF) US\$17.1m ; Sankofa Gas Guarantees (IDA US\$125.0m with IBRD Enclave US\$200.0m); IFC's Sankofa US\$300m; MIGA Sankofa Gas Fields US\$450m ASA SOE Governance Study; National Anti-Money Laundering/CFT Risk Assessment; Public Sector Wage Bill Study; PER; PFM Bottlenecks to Service Delivery	Macro Stability for Competitiveness II (from FY16) US\$150.0m Economic Management Strengthening TA (combined 2 operations from FY14) US\$15.0 Dedicated Grant Mechanism TF US\$6.0m ASA Just in time Policy Notes; Debt and Risk Management TA; Enhancing Urban Resilience TA; Distributional Impact of Fiscal Policy; Banking Spn and Crisis Mngmnt TA;Capital Markets Regl and Spn TA	Macro Stability for Competitive-ness III US\$120.0 ASA Systematic Country Diagnostic (SCD); ROSC Assessment; PFM Reform Study; Electricity Company of Ghana TA; Environmental Resilience Analysis;
Pillar 2 Competitiveness and Job Creation	<i>Ghana Partnership for Education project US\$75.5m (EFA TF grant)</i> IFC: Vegpro US\$7.0m ASA Demand, Supply of TVET Skills;	<i>Secondary Education Program US\$156.0m;</i> <i>eTransform Ghana US\$97.0;</i> Youth Employment; Financial Sector TA; Africa regional Higher Education Centers of Excellence \$24,0 ASA Competitiveness and Job Creation Policy Notes; Energy Sector Review; Agriculture Sector; Policy Notes;	Energy Results Based Operation; Manufacturing Competitiveness Enhancing Nat and Agr Forest Landscapes (FIP, US\$29.5); GEDAP 2nd AF US\$60.0m; Transport Sector Pr.AF (US\$25.0m); IFC: Takoradi II (TICO, \$80M) IFC Tema Port (US\$667m); ASA Fin Sector Note; Ag Sector Policy Notes; Prioritizing Infrstr Invest-Spatial Lens; Manuf Sector Competitiveness Note;	Roads Results Based Operation; Climate Innovation Center TF US\$17.2m (TF ASA Agriculture Sector Policy Notes; Pwalugu Econ Growth and Poverty Reduction Study; Access to Finance Note; Developing Regional PPP Capacity; Prvt.Sector Dialogue; Teacher Community Assistance TA	Transport Sector Project US\$150.0m ASA Financial Inclusion Strategy; Structural Transformation Note; Programmatic Urbanization TA; Doing Business reform	Pwalugu Multi-Purpose Dam US\$100.0 m; Secondary Education Program AF \$80.0m; Sustainable Land and Water Resource Management AF (GEF) US\$10m; IPP Guarantees Project US\$300m; ASA Economic Diversification of Sources of Growth
Pillar 3 Protecting poor and vulnerable	<i>GAMA Sanitation and Water Project US\$150.0m</i> IFC: Ghana Health In Africa Initiative ASA Support to Common Targeting System; Institutional Options for Urban Water and Sanitation	<i>Maternal and Child Health and Nutrition Improvement Project US\$68.0m</i> Integrated Health Systems Strengthening; Common Targeting TA; Soc Opport AF US\$50.0m ASA Poverty and Labor Assmnt		ASA Building National Targeting System; Health Insurance review; Poverty Notes; Pensions TA; Youth and Jobs TA; Consumer Protection TA;	ASA Child Health Nutrition and Population Community PBF Impact Evaluation; Gender Analysis	ASA MFM Investments and Gender; Youth and Jobs TA

(A) *Italics* – Actual, (D) – Dropped, (N) **Bold** – New, TF – Trust Fund/Non IDA

ANNEX 5:

Table 1. Allocation of IDA and TF Resources FY 13- FY16

Financial Year	Approved Projects	Amount (US\$ m)
FY 13	GAMA Sanitation and Water Project	150.0
Total US\$230.5 million	NREG TA	5.0
	Ghana Partnership for Education project (EFA TF grant),	75.5
FY14	eTransform	97.0
Total US\$414.8 million	Secondary Education Improvement Project	156.0
	Ghana Social Opportunities Project AF	50.0
	Oil and Gas Capacity Building AF	19.8
	Afr Reg Higher Education Centers of Excellence	24.0
	Maternal and Child Health	68.0
FY15	GEDAP 2 nd Additional Financing	60.0
Total US\$410.3 million	PFM Reform & Improvement Project	45.0
	Macro Stability for Competitiveness (DPO)/Budget Support	150.0
	*Policy-Based Guarantee (PBG)	100.0
	Ghana Forest Investment Program (TF/FIP)	29.5
	Ghana – Disaster Risk Management Country Plan (TF)	0.8
	Transport Sector Project Additional Financing	25.0
FY16	Climate Innovation Center (TF)	17.2
Total US\$30.0 million	Sustainable Land and Water Resources Management Project 2nd Additional Financing (TF)	12.8
FY17	Economic management Strengthening	15.0
Total US\$15.0 million		
	GRAND TOTAL	1100.6

Table 2: IDA and IBRD Guarantees FY15-FY16

	Type of Guarantee	Amount (US\$ million)		Total Exposure (US\$ million)	
		IDA	IBRD	IDA	IBRD
1	Sankofa (PRG)	125	200	500	200
2	Policy-Based Guarantee (PBG)	100	N/A	400	N/A
3	Independent Power Producers (IPPs) PRG*	[75]*	N/A	[300]*	N/A
	TOTAL	225	200	900	200
	GRAND TOTAL	425		1100	

*Note: The World Bank Board of Executive Directors has approved all the guarantees except the IPP. The IPP is currently under preparation for FY18 delivery.

Table 3. IFC Committed Portfolio* (as of June2016)

Pr. Code	Project	Primary Sector	Committed IFC (US\$ m)	Committed Mob. (US\$ m)
31433	A & C Mixed Use	Wholesale and Retail Trade	4.0	0
29906	Actis ARE Fund 2	Construction and Real Estate	10.2	0
26914	ADP I	Collective Investment Vehicles	1.3	0
31162	Advans Gh RI 2	Finance & Insurance	0.1	0
33856	Advans GH RI 3	Finance & Insurance	0.3	0
28308	Advans Gh Rights	Finance & Insurance	0.1	0
25575	Advans Ghana	Finance & Insurance	0.1	0
8201	AEF NCS	Information	0	0
7617	AEF Tacks Farms	Agriculture and Forestry	0	0
26577	AfricInvest II	Collective Investment Vehicles	0	0
27152	AshesiUniversity	Education Services	1.3	0
26642	Atlantic CRF	Collective Investment Vehicles	0.7	0
26992	Aureos Africa II	Collective Investment Vehicles	2.0	0
33287	EAG RI 2012	Finance & Insurance	0.1	0
24630	EB-Accion Ghana	Finance & Insurance	0.2	0
25757	EBG RSF	Finance & Insurance	0.3	0
36645	EBG Tier2 II	Finance & Insurance	20.0	0
26822	EVHA	Collective Investment Vehicles	2.5	0
26444	Ghana Mortg GHL	Finance & Insurance	7.3	0
26667	GroFin AF	Collective Investment Vehicles	4.4	0
26264	GTFP Ecobank Gha	Finance & Insurance	5.8	0
25547	GTFP MBG Ghana	Finance & Insurance	(0.0)	0
33071	GTST Ghana BDCII	Finance & Insurance	75.0	0
30029	KHI Ghana	Accommodation & Tourism Services	12.3	10.0
31179	Kosmos Energy II	Oil, Gas and Mining	100.0	0
28620	LeapFrog Fund	Collective Investment Vehicles	0.6	0
27662	Macquarie Africa	Collective Investment Vehicles	16.1	0
26855	Marina Mkt Ghana	Wholesale and Retail Trade	1.6	0
30580	ProteaTakoradi	Accommodation & Tourism Services	5.3	0
34352	Synergy	Collective Investment Vehicles	0.2	0
30228	TICO	Electric Power	73.6	0
32076	TICO - IR Swap	Electric Power	10.3	0
27918	Tullow Oil	Oil, Gas and Mining	165.0	0
Subtotal			520.6	10.00

New IFC Investments during the CPS/PLR period				
33037	Access Ghana	Finance & Insurance	30.0	0
35396	Exchange-Debt	Construction and Real Estate	26.3	31.2
31275	GTFP BOA GHA	Finance & Insurance	0.8	0
34016	GTFP FIDELITY G.	Finance & Insurance	52.0	0
36706	MPS Tema Port	Transportation and Warehousing	195.0	472.0
33311	Quantum Terminal	Chemicals	8.0	0
35218	UT Bank-EQ	Finance & Insurance	0	0
38267	Vegpro Ghana Sub	Agriculture and Forestry	3.3	0
34383	WCSS SG GHANA	Finance & Insurance	24.0	0
Subtotal			339.4	503.20
Grand Total			859.9	513.20

*Lists committed projects, as of June 30th, 2016, only. This will exclude Board-approved projects that have not yet been committed e.g. Sankofa.

Table 4. MIGA Active Guarantees as of October, 2016

Effective Date	Project Name	Gross Exp. (US\$m)	Investor Name
12/31/2004	West African Gas Pipeline (WAGP)	56.2	West African Gas Pipeline Co.
06/30/2005	Scancom Ltd	9.0	MTN (Dubai)
02/03/2012	Takoradi Power Plant	62.8	Societe Generale (Canada)
10/25/2012	Seawater Desalination	149.8	Abengoa Water, Daye Water, Standard Bank of SA
4 projects	Total	277.9	

ANNEX 6

Outcomes of the PLR Consultations Accra, July 6-7, 2016

Participation and Structure of Discussions

1. The event recorded participants from government Ministries, development partners, civil society organizations, the media and think tanks and the private sector. In all there were a total of 104 participants for the one and half day event. In order to have effective engagement, the consultations were classified into categories: There was separate engagement with the Government and its agencies, development partners, civil society organizations including think tanks and the private sector. Valuable interventions were made by participants. Specifically, the presentation focused on the basis for the CPS and the PLR; and the context and strategic focus and the progress made and lessons learnt so far. The presentation was followed by the discussion on emerging priorities and government's agenda. An important aspect of the exercise was the proposed adjustment to the periodization and the analysis of the risks. Questions were posed to guide the discussions. The last three issues generated lots of important discussions which will be further explored.

Synopsis of Participation

Participants/Stakeholder	Number
Government	18
Development Partners	8
CSO/Think Tanks/Media	59
Private Sector	13
WBG	6
5 Groups	104

2. To guide the discussion, the following questions were posed:

- Do you share similar diagnosis of the challenges, opportunities and priorities?
- What should be the top three reform priority for the WBG support?
- What could be some success indicators?
- What are the risks we need to mitigate?
- How can we improve implementation?

Presentation of the PLR Performance and Key Issues Raised

A. *Government and its Agencies*

- Ministry of Agriculture: Issues raised by the sector include the following: The objectives under the CPS for the Agriculture sector are still relevant since there are still serious challenges dating back over 50 years despite efforts to address them. These include low rate of adoption of technology and yields below 40 percent among others. In terms of priority, the sector outlined the following: Need for infrastructure in agriculture, consideration for an Agriculture DPO, agriculture statistics or census to guide effective planning, macroeconomic stability also has a positive impact on the sector. They recommended more meetings and engagement between Government and the WB for improved dialogue and priority setting.

- Ministry of Lands and Natural Resources: Among the concerns were- weak coordination within the sector, capacity of government staff especially in highly technical areas like land administration. Current Land management system is skewed towards Customary Land Secretariats yet they have very weak capacity to carry out their mandate, lack of clarity and certainty in land administration, the challenge associated with land management based on customary land ownership. There should also be exemption of stamp duty. Other concerns raised include need for new technologies to deal with surveying to address Legislative Instrument (LI) 144 which puts restriction on Surveying. There have been additional innovation like the proposal to include spousal rights into the new land bill as part of land administration and introduction of innovation to streamline existing laws in the new land bill currently under preparation. An important point raised referred to the acquisition of lands for projects noting that the Wayleaves Act is not very effective, creating challenges for safeguards policy compliance especially for infrastructure projects. This has serious implications for payment of compensation where applicable. Recommendation was made for the need for collaboration between Ministries of Lands, Roads, Water and environment to address some of these concerns was tabled.
- Ministry of Transport: The point was clearly made that there are a number of studies and master plans but implementation has been a challenge. In the area of railway development, there has been little to no progress and the question raised was what the World Bank could do to support government in this direction. As a proposal to address the land acquisition and roads reservation of 150ft (30 m), the Ministry indicated that for the medium to long term, there would be advanced road reservation.
- Ministry of Power: Infrastructure development of distribution system, renewables, beyond guarantees example mini-grids for island communities are key to factor into the review process. The mini grid has a potential user population of one million Ghanaians. There are still some concerns with institutional capacity challenges. The question of who decides the next generational capacity needs to be yet addressed. Whilst the de facto agency should be ECG, the query arising out of that is whether ECG has the capacity to do the forecast, If the mandate is given to the Energy Commission, then the law establishing them needs to be amended, Volta River Authority (VRA) and Gridco are not well placed to do such needed forecast since they only focus on their reserve margins. It was recommended to continue and strengthen the dialogue to ensure the Push Call Option Arrangement (PCOA) and recommend to the GoG to refrain from providing more guarantees.
- Ministry of Gender, Children and Social Protection: The only issue raised here is the need for gender disaggregated statistics to enable cross sectoral work to be effective.

B. Development Partners

3. The main discussion point among DPs was the closer coordination of all Ghanaian partners in the preparation of the new development strategy as well as measures to be taken to mitigate risks associated with the current stage of Ghana's economic and political development. The IMF program and the risk factors were also introduced onto the discussions. On capacity building, the question of whether what is being done is adequate in view of the emerging world economic crisis challenges. The point was made on ensuring that DPs worked on their comparative advantages, clear roles and more collaboration.

C. Civil Society, Think Tanks and the Media

4. The discussion raised the issues on water and sanitation support, aquaculture, capacity and sustainability implications. The meeting also raised concerns on monitoring and evaluation systems, fiduciary and governance including checks and balances and government regulatory regimes as critical for project implementation. Other discussion points included recommendation to improve information sharing on implementation so stakeholders are aware of the guidelines and processes adopted for implementation; to increase social accountability in projects in order to empower CSOs to serve as watchdogs.

D. The Private Sector

5. The discussion centered on:

- The business environment and the constraints encountered;
- Difficult and time consuming starting a business process;
- High Cost of capital (high interest rates);
- Supply of utilities (very expensive having, negative impact on returns, structural changes needed);
- Bad loans, rollover loans and subsidizing of loans leading to high cost of borrowing;
- Revenue collection challenges at the port;
- Challenges facing the informal sector needs.

Summary and Way Forward

6. The meeting endorsed the rationale for the proposed adjustment and extension of the CPS. Discussion on the M&E and risks and their rating were fully discussed among other key messages. The issue of how the World Bank deals with corruption also came up. The Bank provided information that as a next step, the PLR will be revised incorporating some of the key points raised in the consultations. Final document will be disclosed for public access.

ANNEX 7 Map of Ghana

IBRD 33411

